

RAJAN SANKAR & CO.
Chartered Accountants

Partners

N.Ravisankar, B.Sc., FCA
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**No.1, Sarojini Street,
Ramnagar,
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■ 2230678/4379560

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CROCODILE PRODUCTS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **CROCODILE PRODUCTS PRIVATE LIMITED** ('the Company'), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, notes to the standalone financial statements and the Standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are

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

Information other than the Standalone Financial Statements and Auditor's report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company Annual Report, for example, Corporate Overview, Key Highlights, Board's Report including Annexures thereto etc., but does not include the financial statements and Auditor's Report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report if we conclude any material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than

for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 and board of directors.
- Conclude on the appropriateness of management's and board of directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

Reports on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("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 the paragraph 3 and 4 of the order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and Standalone Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 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.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund by the Company.
- (iv)(a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared or paid any Dividend during the year.

For **RAJAN SANKAR & CO.**

Chartered Accountants

Firm's Registration Number: 003430S



N.RAVISANKAR

PARTNER

Place : Coimbatore

Date : May 18, 2022

Membership Number: 023548

UDIN: 22023548AKMOFJ4508

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

- (i) (a) (A) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanation given to us and on the basis of examination of records of the Company, Property, Plant and Equipment have been physically verified by the management at regular intervals and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company does not hold any immovable property during the year and accordingly the provisions of Clause 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us and on the basis of examination of records of the Company, there are no proceedings which are initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the Company does not hold any inventory and accordingly the provisions of clause 3(ii)(a) are not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of examination of records of the Company, at any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and accordingly the provisions of clause 3(ii)(b) are not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not made investment in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments, guarantees, security within the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iv) of the Order are not applicable to the Company.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the Company.
- (vi) In our opinion and on the basis of examination of records of the Company, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) (a) The Company does not have liability in respect of Service Tax, Duty of Excise, Sales Tax and Value added tax during the year, since effective 1st July, 2017 these statutory dues have been subsumed into Goods and Services Tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees'

state insurance, income tax, cess and other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Goods and Services Tax or provident fund or employees' state insurance or income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess, that have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions previously unrecorded as income in the books of accounts, in tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lenders during the year.

(b) According to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any term loans during the year and accordingly, the provisions of Clause 3(ix)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any funds on short term basis during the year and accordingly, the provisions of Clause 3(ix)(d) of the Order are not applicable to the Company.

(e) & (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any subsidiary, associate or joint venture during the year and accordingly, the provisions of Clause 3(ix)(e) and Clause 3(ix)(f) of the Order are not applicable to the Company.

(x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company has been noticed or reported during the year.

(b) The Auditors have not filed any report under sub-section (12) of section 143 of the Companies Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given by the management, the Company has not received any whistle-blower complaints during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly, the provisions of Clause 3 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) (a) Based on our audit procedures and in our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(b) In our opinion, the Company does not have an obligation to appoint internal auditors in compliance with section 138 of Companies Act, 2013 and accordingly the provisions of Clause 3(xiv)(b) of the Order are not applicable.

- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with the directors.
- (xvi) (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, the provisions of clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) & (d) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly, the provisions of clause 3(xvi)(c) and clause 3(xvi)(d) of the Order are not applicable to the Company.
- (xvii) The Company has incurred a cash loss of Rs.132,449/- during the current financial year and Rs.9,150/- during the immediately preceding financial year.
- (xviii) There has been no resignation of Statutory Auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, according to the information and explanation given by the Board of Directors and management on their 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. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provisions of the second proviso to sub-section (5) of section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the provisions of clause 3 (xx) of the Order are not applicable to the Company.

(xxi) In our opinion and according to the information and explanations given to us, the Company does not have the obligation to prepare Consolidated Financial Statements and accordingly, the provisions of clause 3 (xxi) of the Order are not applicable to the Company.

For **RAJAN SANKAR & CO.**

Chartered Accountants

Firm's Registration Number: 003430S



N.RAVISANKAR

PARTNER

Place : Coimbatore

Date : May 18, 2022

Membership Number: 023548

UDIN: 22023548AKMOFJ4508

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Crocodile Products Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CROCODILE PRODUCTS PRIVATE LIMITED ('the Company') as on March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 as at 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 **RAJAN SANKAR & CO.**

Chartered Accountants

Firm's Registration Number: 003430S



N.RAVISANKAR

PARTNER

Place : Coimbatore

Date : May 18, 2022

Membership Number: 023548

UDIN: 22023548AKMOFJ4508

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

MARCH 31, 2022

1. CORPORATE INFORMATION

Crocodile Products Private Limited is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The address of its registered office and principal place of business is 39A, Extension Street, Kaikkattipudur, Avinashi – 641 654. The Company is a subsidiary of S.P. Apparels Limited. The Company is engaged in trading in readymade garments.

2. BASIS OF PREPARATION

2.1. Basis of Accounting and preparation of financial statements

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for Cash Flow Statement and certain financial instruments which are measured on fair value basis. GAAP comprises Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act read together with relevant rules of Companies (Indian Accounting Standards) Rules 2015 and relevant amendment rules issued thereafter, to the extent applicable, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Statement of Compliance

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity, Statement of Cash Flow, together with notes for the year ended March 31, 2022 have been prepared in accordance with Ind AS as notified above duly approved by the Board of Directors at its meeting held on May 18, 2022.

2.3. Basis of measurement

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention unless otherwise indicated.

2.4. 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 Company operates ("the functional currency"). The financial statements are presented in Indian Rupee, which is the Company's functional currency.

2.5. Use of judgments and estimates

In preparing these financial statements in conformity with Ind AS, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent liabilities and contingent assets at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Application of accounting policies that require critical accounting estimates and assumption judgments having the most significant effect on the amounts recognized in the financial statements are:

- Valuation of financial instruments;
- Identification of performance obligation and timing of satisfaction of performance obligation, measurement of transaction price on revenue recognition;
- Measurement of defined benefit obligations;
- Recognition of deferred tax assets & MAT credit entitlement;
- Useful life and residual value of Property, plant and equipment and intangible assets;
- Estimate of lease term and measurement of lease prepayments / Right of Use Assets and

lease liabilities

- Recognition and measurement of provisions and contingencies.
- Utilization of tax losses
- Expected credit losses on financial assets
- Impairment testing

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. PROPERTY, PLANT AND EQUIPMENT

a) Recognition and measurement

Items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including duties and taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognized when no future economic benefits are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

b) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognized in the statement of profit and loss. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

- Office Equipment	-	5 years
- Furniture and Fittings	-	10 years
- Plant & Machinery	-	15 years
- Electrical Fittings	-	10 years
- Computer	-	3 years
- Vehicles	-	10 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

3.2. INTANGIBLE ASSETS

Intangible assets that are acquired by the Company, have finite useful lives and measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit and loss as incurred.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life is as below:

- Trademark	-	5 years
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Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.3. IMPAIRMENT OF ASSETS

An item of property, plant and equipment is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognized as an impairment loss in the profit and loss account.

The impairment loss, if any, recognized in prior accounting period is reversed if there is a change in estimate of recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

3.4. FINANCIAL INSTRUMENTS

a) Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

b) Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost using Effective Interest Rate method if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial liabilities

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

c) Impairment of financial assets

With regard to trade receivables, an impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

d) Derecognition

Financial Assets

Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount of financial asset on the date of de-recognition and the consideration received is recognised in the Statement of Profit and Loss.

Financial Liabilities

The company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

e) Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

3.5. FAIR VALUE MEASUREMENT

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. In estimating 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.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability

3.6. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

b) Contingent Liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes.

c) Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.7. REVENUE RECOGNITION

Royalty Income

The revenue from sales or usage based royalty is recognized only when the later of the following events occur:

- When the customer makes the subsequent sale or use that triggers the royalty
- The performance obligation to which some or all of the sales-based or usage-based royalty has been allocated is satisfied (or partially satisfied).

3.8. FOREIGN CURRENCY TRANSACTIONS

a) Initial recognition:

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

b) Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

c) Exchange difference:

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

3.9. INCOME TAX

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognized amounts; and
- ii) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

3.10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.11. CASH FLOW STATEMENT

Cash flow statements are prepared in accordance with "Indirect Method" as explained in the Accounting Standard on Statement of Cash Flows (Ind AS - 7). The cash flows from regular revenue generating, financing and investing activity of the Company are segregated.

3.12. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

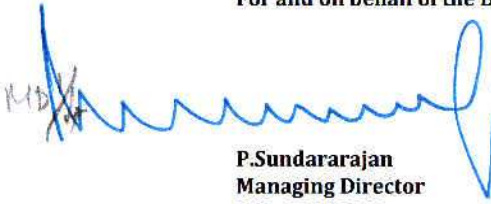

CROCODILE PRODUCTS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

Particulars		Note No	As at March 31, 2022	As at March 31, 2021
ASSETS				
1	Non Current Assets			
	a. Property, Plant and Equipment	5	8,12,450	10,23,906
	b. Intangible Assets	6	-	-
			8,12,450	10,23,906
	c. Financial Assets			
	i. Others	7	50,95,253	50,95,253
	d. Deferred tax asset (net)	8	2,82,93,286	3,05,25,654
	e. Other non-current assets	9	1,08,537	1,08,537
			3,43,09,526	3,67,53,350
2	Current Assets			
	a. Financial Assets			
	i. Cash and cash equivalents	10	14,63,089	9,34,950
	ii. Bank balances other than (i.) above	10	3,45,027	3,45,027
	b. Current Tax Assets (Net)	11	13,61,154	11,82,477
	c. Other Current Assets	12	1,04,29,077	6,77,340
			1,35,98,348	31,39,794
	Total Assets		4,79,07,874	3,98,93,144
EQUITY AND LIABILITIES				
1	Equity			
	a. Equity Share capital	13	3,80,00,000	3,80,00,000
	b. Other Equity	14	(10,31,70,047)	(10,05,93,774)
			(6,51,70,047)	(6,25,93,774)
	Liabilities			
1	Non-current liabilities			
	a. Financial Liabilities			
	i. Borrowings	15	2,50,42,530	2,50,42,530
			2,50,42,530	2,50,42,530
2	Current liabilities			
	a. Financial Liabilities			
	i. Trade payables	16		
	- Micro and Small Enterprises		-	-
	- Other than Micro and Small Enterprises		7,99,89,831	7,12,95,974
	b. Other current liabilities	17	80,45,560	61,48,414
			8,80,35,391	7,74,44,388
	Total Equity and Liabilities		4,79,07,874	3,98,93,144
See accompanying notes to the financial statements				

In terms of our report attached.
For RajanSankar & Co.
Chartered Accountants
Firm Registration No.: 003430S


N.Ravisankar
Partner
Membership No.: 023548

For and on behalf of the Board of Directors

 
P.Sundararajan
Managing Director
DIN: 00003380

S.Latha
Executive Director
DIN: 00003388

Place : Coimbatore
Date : May 18, 2022

CROCODILE PRODUCTS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
	INCOME			
1	Revenue from operations	18	1,13,52,057	1,27,53,878
2	Other Income	19	57,390	1,34,532
3	Total Income(1+2)		1,14,09,447	1,28,88,410
	EXPENSES			
4	Depreciation and amortisation expense	20	2,11,456	2,98,055
	Other expenses	21	1,15,41,896	1,28,97,560
	Total Expenses		1,17,53,352	1,31,95,615
5	Profit/ (Loss) before exchange gain/ (loss) on swap contracts, exceptional items and tax (3-4)		(3,43,905)	(3,07,205)
6	Exchange gain/ (loss) on swap contracts		-	-
7	Profit/ (Loss) before exceptional items and tax (5-6)		(3,43,905)	(3,07,205)
8	Exceptional Items		-	-
9	Profit/ (Loss) before extraordinary items and tax (7-8)		(3,43,905)	(3,07,205)
10	Extraordinary Items		-	-
11	Profit/ (Loss) before tax (9-10)		(3,43,905)	(3,07,205)
12	Tax Expense:			
	a. Current tax expense		-	-
	b. MAT Credit		-	-
	c. Deferred tax (asset) / liability		22,32,368	8,37,090
	Total Tax Expenses		22,32,368	8,37,090
13	Net profit/(Loss) for the period (11-12)		(25,76,273)	(11,44,295)
14	OTHER COMPREHENSIVE INCOME			
	A. (i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	B (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	-
15	TOTAL COMPREHENSIVE INCOME (13+14)		(25,76,273)	(11,44,295)
	Earnings per equity share (for Continuing operation):			
	a. Basic		(6.78)	(3.01)
	b. Diluted		(6.78)	(3.01)
See accompanying notes to the financial statements				

In terms of our report attached.

For RajanSankar & Co.

Chartered Accountants

Firm Registration No.: 003430S

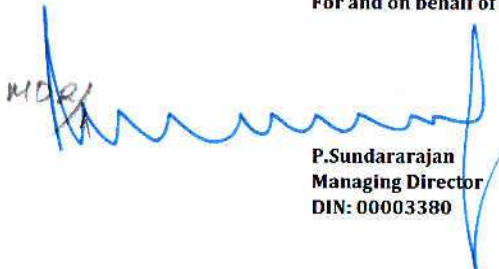


N.Ravisankar

Partner

Membership No.: 023548

For and on behalf of the Board of Directors



P.Sundararajan
 Managing Director
 DIN: 00003380



S.Latha
 Executive Director
 DIN: 00003388

Place : Coimbatore

Date : May 18, 2022

CROCODILE PRODUCTS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) before Tax	(3,43,905)	(3,07,205)
	Adjustment for:		
	Depreciation & Amortisation Expenses	2,11,456	2,98,055
	Interest Income	(57,390)	(1,34,532)
	Income tax	-	-
	Operating loss before Working Capital adjustments	(1,89,839)	(1,43,682)
	<u>Adjustments for (increase) / decrease in operating assets</u>		
	(Increase)/Decrease in Loans and advances	(1,78,677)	11,71,857
	(Increase)/Decrease in Other Current Assets	(97,51,737)	(6,77,340)
	<u>Adjustments for increase / (decrease) in operating liabilities</u>		
	Increase/(Decrease) in Trade Payables	86,93,857	2,22,667
	Increase/(Decrease) in Other Liabilities	18,97,146	1,24,100
	Cash used in/ generated from operations	4,70,749	6,97,603
	Net Cash from/(used) operating activities before Extraordinary items	4,70,749	6,97,603
	Extraordinary Items	-	-
	Net Cash from / (used) in operating activities	(A) 4,70,749	6,97,603
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Interest Income	57,390	1,34,532
	Net Cash from / (used) in Investing Activities	(B) 57,390	1,34,532
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Cash from/ (used) in Financing Activities	(C) -	-
	Net increase/(Decrease) in Cash and Cash equivalents	(A)+(B)+(C) 5,28,139	8,32,134
	Cash and cash equivalents at beginning of the period	12,79,977	4,47,843
	Cash and cash equivalents at end of the period	18,08,116	12,79,977
	Net increase/(Decrease) in Cash and Cash equivalents	5,28,139	8,32,134

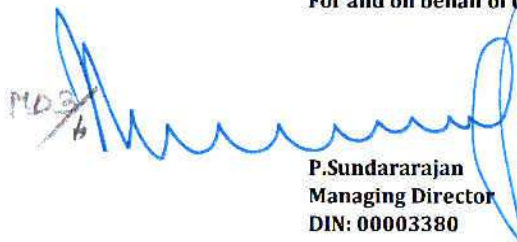
In terms of our report attached.

For RajanSankar & Co.
Chartered Accountants
Firm Registration No.: 003430S



N.Ravisankar
Partner
Membership No.: 023548

For and on behalf of the Board of Directors



P.Sundararajan
Managing Director
DIN: 00003380



S.Latha
Executive Director
DIN: 00003388

Place : Coimbatore
Date : May 18, 2022

CROCODILE PRODUCTS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

Equity Share Capital	No. of Shares	Amount
Balance as at 31st March, 2021	3,80,000	3,80,00,000
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2022	3,80,000	3,80,00,000

B. OTHER EQUITY

Particulars	Retained Earnings	Other items of Other Comprehensive Income (specify nature)	Total
Balance at March 31, 2021	(10,05,93,774)	-	(10,05,93,774)
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting period	-	-	-
Total Comprehensive Income for the current year	(25,76,273)	-	(25,76,273)
Transfer to Retained Earnings	-	-	-
Any other change (to be specified)	-	-	-
Balance at March 31, 2022	(10,31,70,047)	-	(10,31,70,047)

CROCODILE PRODUCTS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

5. Property, Plant and Equipment

Particulars	As at March 31, 2022	As at March 31, 2021
<u>Tangible Assets</u>		
Plant & machinery	28,326	34,426
Furniture & fitting	4,34,390	5,45,561
Office equipment	114	114
Vehicles	14,652	14,652
Electrical fitting	3,33,029	4,27,214
Computers	1,939	1,939
	(A) <u>8,12,450</u>	<u>10,23,906</u>
<u>Intangible Assets</u>		
Patents & Trademark	-	-
	(B) <u>-</u>	<u>-</u>
Total Assets (A+B)	<u>8,12,450</u>	<u>10,23,906</u>

Tangible Assets

Particulars	Plant & machinery	Furniture & fitting	Office equipment	Vehicles	Electrical fitting	Computers	Total
<u>Cost or deemed cost</u>							
Cost at 31st March 2021	5,66,529	97,82,752	14,30,207	2,50,372	54,58,589	58,92,485	2,33,80,934
Add: Additions during the year	-	-	-	-	-	-	-
Less: Eliminated on disposals of assets	-	-	-	-	-	-	-
Balance at 31st March 2022	5,66,529	97,82,752	14,30,207	2,50,372	54,58,589	58,92,485	2,33,80,934
<u>Accumulated depreciation and impairment</u>							
Balance at 31st March 2021	5,32,103	92,37,191	14,30,093	2,35,720	50,31,375	58,90,546	2,23,57,028
Eliminated on disposals of assets	-	-	-	-	-	-	-
Depreciation for the year / (Adjusted with Retained Earnings)	6,099	1,11,171	-	-	94,185	-	2,11,456
Balance at 31st March 2022	5,38,203	93,48,362	14,30,093	2,35,720	51,25,560	58,90,546	2,25,68,484

Carrying Amount

Balance at 31st March 2021	34,425	5,45,561	114	14,652	4,27,214	1,939	10,23,905
Add: Additions during the year	-	-	-	-	-	-	-
Less: Eliminated on disposals of assets	-	-	-	-	-	-	-
Less: Depreciation for the year	6,099	1,11,171	-	-	94,185	-	2,11,456
Balance at 31st March 2022	28,326	4,34,390	114	14,652	3,33,029	1,939	8,12,450

6. Intangible Assets

Particulars	Patents & Trademark
<u>Cost or deemed cost</u>	
Cost at 31st March 2021	1,00,000
Add: Additions during the year	-
Less: Eliminated on disposals of assets	-
Balance at 31st March 2022	<u>1,00,000</u>
<u>Accumuated depreciation and impairment</u>	
Balance at 31st March 2021	1,00,000
Eliminated on disposals of assets	-
Amortisation for the year	-
Balance at 31st March 2022	<u>1,00,000</u>
<u>Carrying Amount</u>	
Balance at 31st March 2021	-
Add: Additions during the year	-
Less: Eliminated on disposals of assets	-
Less: Amortisation for the year	-
Balance at 31st March 2022	<u>-</u>

CROCODILE PRODUCTS PRIVATE LIMITED
Notes annexed to and forming part of the Financial Statements

7	OTHER NON-CURRENT FINANCIAL ASSETS	As at March 31, 2022	As at March 31, 2021
	(Unsecured, considered good)		
a.	Gratuity Fund	1,56,773	1,56,773
b.	Others:		
	Other Trade Advances	49,38,480	49,38,480
		49,38,480	49,38,480
	Total	50,95,253	50,95,253

8	DEFERRED TAX ASSET (NET)	As at March 31, 2022	As at March 31, 2021
a.	Deferred tax (liabilities)	-	-
b.	Deferred tax assets	1,05,10,597	1,27,42,965
		1,05,10,597	1,27,42,965
c.	MAT Credit entitlement	1,77,82,690	1,77,82,690
	Total	2,82,93,286	3,05,25,654

9	OTHER NON-CURRENT ASSETS	As at March 31, 2022	As at March 31, 2021
a.	Balance with government authorities (Unsecured, considered good)		
	Sales Tax Deposits	1,08,537	1,08,537
	Total	1,08,537	1,08,537

CROCODILE PRODUCTS PRIVATE LIMITED**Notes annexed to and forming part of the Financial Statements**

10	CASH AND BANK BALANCES	As at March 31, 2022	As at March 31, 2021
a.	Cash and Cash Equivalents		
	Balances with Banks in Current account	14,62,968	9,34,829
	Cash on hand	121	121
		14,63,089	9,34,950
b.	Bank Balances other than (a) above		
	In Deposit accounts	3,45,027	3,45,027
		3,45,027	3,45,027
	Total	18,08,116	12,79,977

11	CURRENT TAX ASSET (NET)	As at March 31, 2022	As at March 31, 2021
a.	Opening Balance	11,82,477	23,54,334
b.	Less: Current Tax Payable for the year	-	-
c.	Less: Refund received	(9,56,540)	(21,28,400)
d.	Add: Taxes paid	11,35,217	9,56,543
	Total	13,61,154	11,82,477

12	OTHER CURRENT ASSETS	As at March 31, 2022	As at March 31, 2021
a.	Balances with government authorities - GST credit receivable	-	6,77,340
b.	Royalty receivable	1,04,29,077	-
	Total	1,04,29,077	6,77,340

CROCODILE PRODUCTS PRIVATE LIMITED
Notes forming part of the financial statements

13. SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
(a) Authorised: Equity shares of Rs. 10/- each with voting rights (7,00,000 Equity Share of Rs.100/- each)	7,00,000	7,00,00,000	7,00,000	7,00,00,000
(b) Issued : Equity shares of Rs. 10/- each with voting rights (380,000 Equity share of Rs.100/- each)	3,80,000	3,80,00,000	3,80,000	3,80,00,000
(c) Subscribed and fully paid up : Equity shares of Rs. 10/- each with voting rights (380,000 Equity share of Rs.100/- each)	3,80,000	3,80,00,000	3,80,000	3,80,00,000
Total	3,80,000	3,80,00,000	3,80,000	3,80,00,000

Notes

i) Terms & Condition of Equity shares

The Company has only one class of equity shares having a par face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of Equity Shares present at a meeting in person or by proxy, is entitled to one vote and upon a vote each share is entitled to one vote.

ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares held	% of holding in that class of shares	No of Shares held	% of holding in that class of shares
a) Equity Shares with voting rights				
S.P.Apparels Ltd.	2,66,000	70%	2,66,000	70%
Crocodile International Pte Ltd.	1,14,000	30%	1,14,000	30%
Total	3,80,000	100%	3,80,000	100%

iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue during the year	Closing Balance
Equity shares with voting rights			
Period ended March 31, 2021	3,80,000	-	3,80,000
- Number of shares	3,80,00,000	-	3,80,00,000
Amount (Rs. 10 each)			
Period ended March 31, 2022			
- Number of shares	3,80,000	-	3,80,000
Amount (Rs. 10 each)	3,80,00,000	-	3,80,00,000

iv) Shareholding of Promoters: NIL

CROCODILE PRODUCTS PRIVATE LIMITED
Notes annexed to and forming part of the Financial Statements

14	OTHER EQUITY	As at March 31, 2022	As at March 31, 2021
a.	Retained Earnings (Surplus in Statement of Profit and Loss)		
	Balance as at the beginning of the year	(10,05,93,774)	(9,94,49,479)
	Add: Current year profit /(loss)	(25,76,273)	(11,44,295)
	Balance as at the end of the year	(10,31,70,047)	(10,05,93,774)
	Total Other Equity	(10,31,70,047)	(10,05,93,774)

15	NON-CURRENT BORROWINGS	As at March 31, 2022	As at March 31, 2021
a.	Unsecured Borrowings at Amortised Cost		
	Loans from related parties	2,50,42,530	2,50,42,530
	Total	2,50,42,530	2,50,42,530

16	CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES	As at March 31, 2022	As at March 31, 2021
a.	Trade payables - including acceptances		
	- Due to related parties	7,99,89,831	7,12,95,974
	Total	7,99,89,831	7,12,95,974

17	OTHER CURRENT LIABILITIES	As at March 31, 2022	As at March 31, 2021
a.	Statutory Liabilities	20,09,706	-
b.	Other liabilities	60,35,854	61,48,414
	Total	80,45,560	61,48,414

CROCODILE PRODUCTS PRIVATE LIMITED

Notes annexed to and forming part of the Financial Statements

18	REVENUE FROM OPERATIONS	For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Other Operating revenue		
	Royalty Income	1,13,52,057	1,27,53,878
	Total Revenue from Operations	1,13,52,057	1,27,53,878

19	OTHER INCOME	For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Interest Income from		
	Bank Deposits	-	-
	Income tax refund	57,390	1,34,532
	Total	57,390	1,34,532
b.	Other Non-operating Income		
	Others	-	-
	Total	-	-
	Total Other Income	57,390	1,34,532

20	DEPRECIATION AND AMORTISATION EXPENSES	For the year ended March 31, 2022	For the year ended March 31, 2021
a.	Tangible assets		
	Plant and machinery	6,099	3,508
	Electrical Installations	94,185	1,34,336
	Furniture and fittings	1,11,171	1,60,212
	Office equipments	-	-
	Total on Tangible Assets	2,11,456	2,98,055
b.	Intangible Assets		
	Total on Intangible Assets	-	-
	Total Depreciation and Amortisation expense	2,11,456	2,98,055

21	OTHER EXPENSES	For the year ended March 31, 2022	For the year ended March 31, 2021
	Payments to Auditors	1,00,000	1,00,000
	Legal & Professional Charges	86,300	20,000
	Rates and taxes	-	1,770
	Royalty	1,13,52,059	1,27,53,878
	Miscellaneous expenses	3,537	21,912
	Total Other Expenses	1,15,41,896	1,28,97,560

22. EARNINGS PER SHARE (EPS)

Particulars	31/03/2022	31/03/2021
Profit/(loss) attributable to Equity Shareholder (A)	(25,76,273)	(1,144,295)
Number of equity shares outstanding (B)	380,000	380,000
Basic EPS (A) / (B)	(6.78)	(3.01)

23. AUDITORS' REMUNERATION

Particulars	31/03/2022	31/03/2021
Payment to Auditors' as		
- Auditor	75,000	75,000
- For taxation matters	25,000	25,000
Total	1,00,000	1,00,000

24. CAPITAL AND OTHER COMMITMENTS

Particulars	31/03/2022	31/03/2021
Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advances)	NIL	NIL
Export Commitment	NIL	NIL
Operating and Finance Leases	NIL	NIL

25. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

a) Nature of Related Party RelationshipsKey Management Personnel (KMP):

Mr. P. Sundararajan	-	Managing Director
Mrs. S. Latha	-	Director

Holding & Associate Company:

S.P Apparels Ltd	-	Holding Company
Crocodile International Pte. Ltd.	-	Associate

Entities controlled by KMP:

S.P Lifestyles

Poornam Enterprises Pvt. Ltd.

S.P Retail Ventures Limited

b) Details of related party transactions during the year and balances outstanding:

Particulars	Nature of relationship	31.03.2022	31.03.2021
<u>Transactions</u>			
Royalty received			
S.P Apparels Ltd	Holding Company	1,05,33,976	1,27,53,878
S.P Retail Ventures Limited	Entities controlled by KMP	8,18,081	-
Royalty paid			
Crocodile International Pte. Ltd.	Associate	1,13,52,059	1,27,53,878
<u>Balances outstanding</u>			
Unsecured borrowings			
Mr. P. Sundararajan	Key Management Personnel	25,042,530	2,50,42,530
Trade Payables			
S.P Apparels Ltd	Holding Company	7,12,98,933	7,12,95,974
Crocodile International Pte. Ltd.	Associate	86,90,898	-
Other current assets			
S.P Retail Ventures Limited	Entities controlled by KMP	1,04,29,077	-

Other current liabilities			
Poornam Enterprises Pvt. Ltd.	Entities controlled by KMP	2,137,314	21,37,314
S.P Lifestyles	Entities controlled by KMP	3,874,000	38,74,000

26. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006), claiming their status as Micro, Small and Medium Enterprises and consequently the amount paid/payable to these parties has been considered as NIL.

27. FINANCIAL INSTRUMENTS

i. Financial Instruments by category

Particulars	March 31, 2022			March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<u>Financial Assets:</u>						
a. Cash and Cash Equivalents	-	-	14,63,089	-	-	9,34,950
b. Other Bank Balances	-	-	3,45,027	-	-	3,45,027
<u>Financial Liabilities:</u>						
a. Non-current borrowings	-	-	2,50,42,530	-	-	2,50,42,530
b. Trade Payables	-	-	7,99,89,831	-	-	7,12,95,974

ii) Fair Value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalents are considered to be the same as their fair values, due to their short term and settlement on demand nature.

For all other financial assets and liabilities measured at amortised cost, the Company considers that their carrying amounts approximate their fair values.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management framework

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

28. LOANS & ADVANCES GIVEN TO RELATED PARTIES

The Company has not made any Loans and Advances in the nature of loans to the promoters, director, KMPs or related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, during the year.

29. SECURITY OF CURRENT ASSETS AGAINST BORROWINGS

At any point of time the Company has not availed any borrowings from banks or financial institutions on the basis of security of current assets.

30. DETAILS OF BENAMI PROPERTY HELD

There are no proceedings which are initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

31. WILFUL DEFAULTER

The Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

32. RELATIONSHIP WITH STRUCK OFF COMPANIES

During the year, the Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

33. REGISTRATION OF CHARGE

The Company does not have any pending creation of charges or satisfaction of charges which are yet to be registered with Registrar of Companies, beyond the statutory period.

34. DISCLOSURE WHERE COMPANY HAS GIVEN LOAN OR INVESTED TO OTHER PERSON OR ENTITY TO LEND OR INVEST IN ANOTHER PERSON OR ENTITY

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities.

35. DISCLOSURE WHERE COMPANY HAS RECEIVED FUND FROM OTHER PERSON OR ENTITY TO LEND OR INVEST IN OTHER PERSON OR ENTITY

During the year, the Company has not received any fund from any person or entity, including foreign entities.

36. UNDISCLOSED INCOME

The Company has not entered into any transaction that has not been recorded in the books of accounts, or that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

37. CSR EXPENDITURE

The Company is not covered under section 135 of the Company Act, 2013 and hence the disclosure requirements of Corporate Social Responsibility (CSR) are not applicable.

38. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto Currency or Virtual Currency during the year, and hence the relevant disclosure requirements are not applicable.

39. RATIOS

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021.

Particulars	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	Variation
Current Ratio	Current Assets	Current Liabilities	0.15	0.04	280.99% ¹
Debt-Equity Ratio	Debts	Equity	(38.43%)	(40.01%)	(3.95%)
Debt Service Coverage Ratio	Earning available for Debt Service	Interest + Installments	NA	NA	NA
Return on Equity Ratio	Profit after Tax	Net Worth	3.95%	1.83%	116.24% ²
Inventory turnover ratio	Total Turnover	Average Inventories	NA	NA	NA
Trade Receivables turnover ratio	Total Turnover	Average Account Receivable	NA	NA	NA
Trade payables turnover ratio	Total Turnover	Average Account Payable	15.01%	17.92%	(16.24%)

Net capital turnover ratio	Total Turnover	Net Working Capital	(15.25%)	(17.16%)	(11.15%)
Net profit ratio	Net Profit	Total Turnover	(22.96%)	(8.97%)	152.94% ²
Return on Capital employed	Net Profit	Capital Employed	6.42%	3.05%	110.69% ²
Return on investment	Net Profit	Total Investment	6.42%	3.05%	110.69% ²

Reasons for variation:

1. Increase in current assets being royalty receivable for the year ended March 31, 2022 resulted in higher current ratio.
2. The losses carried forward by the Company, were lapsed to the extent of Rs. 69,51,561/- during the current financial year which has resulted in a higher deferred tax liability. Hence there is a variation in the after tax profit / (loss) for the year ended March 31, 2022.

40. PREVIOUS YEAR FIGURES


Previous years' figures have been regrouped / reclassified, wherever necessary, to conform with the current period presentation.

For **RAJAN SANKAR & CO.**
Chartered Accountants
Firm Registration No.: 003430S



N.Ravisankar
Partner
Membership No.:023548

For **CROCODILE PRODUCTS PVT. LTD.**



P.Sundararajan
Managing Director
DIN: 00003380



S.Latha
Director
DIN: 00003388

Place: Coimbatore
Date: May 18, 2022

CROCODILE PRODUCTS PRIVATE LIMITED**SUB SCHEDULES****March 31, 2022****Note 6.b. - Other Trade Advances**

Sivarams Associates Pvt. Ltd.	49,38,480
	<u>49,38,480</u>

Note 12 b. Other Current Assets

Royalty receivable from SP Retail Ventures Limited	1,04,29,077
	<u>1,04,29,077</u>

Note 15.a. - Loans from Related Parties

P.Sundararajan	2,50,42,530
	<u>2,50,42,530</u>

Note 16.a. - Trade Payables

Crocodile International Pte Ltd	86,90,898
S.P.Apparels Limited	7,12,98,933
	<u>7,99,89,831</u>

Note 17.a. - Statutory Liabilities

GST Payable	10,40,991
TDS Payable	9,68,715
	<u>20,09,706</u>

Note 17.b. - Other Liabilities

Poornam Enterprises Private Limited	21,37,314
S.P. Lifestyles	38,74,000
Professional Fee Payable	24,540
	<u>60,35,854</u>