



VALENTINE

Date: 10/05/2021

To,
The Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.

BSE Scrip Code: 535467

The Assistant Vice President,
Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051.
NSE Scrip Symbol: AIFL

Subject : Justification on Submission of Financial Results as per Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reference : Ashapura Intimates Fashion Limited (the Company under Liquidation)
Respected Sir/ Madam,

In regard to submission of Financial Results in the format prescribed by Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all quarters i.e. June 2019, September 2019, December 2019 and March 2020 & for the Financial Year ended on March 2020, we would like to submit you with the below facts :-

1. As already intimated vide our intimation dated 07th October, 2020, pursuant to an order dated 05th October, 2020 of the National Company Law Tribunal (NCLT), Mumbai Bench, liquidation process has been initiated against Ashapura Intimates Fashion Limited (the company) under Section 33 of the Insolvency and Bankruptcy Code, 2016.
2. I, Mr. Bhavesh Rathod having Registration No. IBBI/PA-001/IPP01200/2018-19/11910, have been appointed as the Liquidator of the Corporate Debtor.
3. Various Stakeholders Consultation Committee meeting are held and outcome for the same have been intimated to stock exchange updating the process of Liquidation.
4. Further for the financial year ended on 31st March 2020, the company has no Income and is not operational as there is no business.
5. The Liquidator has taken all its best efforts to sell the Company as a going concern under the provisions of the IBC. To sell the Company as a going concern to the prospective buyers, Company had published an advertisement dated 15th October,

Ashapura Intimates Fashion Limited
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022 3293143 24331552/53
CIN-L17299MH2006PLC163133





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2020 inviting the prospective applicants for submitting the scheme u/s 230 of the Companies Act 2013.

6. One of the prospective applicant have sought an interim stay on any further auction till this matter is heard. Hon'ble NCLT has directed that the Liquidator "**shall not take steps for disposal of fixed and core assets of the Corporate Debtor, except in ordinary course of business.**"

Considering the above mentioned facts, it would not be feasible to prepare Financial Results of the Company based on Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thus, The Financial Statement are prepared based on the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other related provisions of the Act.

The auditor has notified in his Audit Report the indicators existing as on reporting date, which raises doubt about Companies ability to continue as a Going Concern. However, his opinion is not modified in this matter.

Thus, we are submitting herewith Audited Financial Statement of the company for the year ended on March 31, 2020 based on the Indian Accounting Standards along with the Audit Report as on date and Statement on Impact of Audit Qualifications stated by Auditor in its Audit Report as "**Annexure I**"

Thus, we request you to absolve us from complying with SEBI LODR Regulation 33 and take on record Audited Financial Statement as on March 31, 2020, prepared based on IND AS as compliance under the said regulation.

Yours Faithfully,

For Ashapura Intimates Fashion Limited (in Liquidation)

Bhavesh Rathod

Liquidator

IBBI/IPA- 001/IPP01200/2018-19/11910

Place: Mumbai





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Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl.No.	Particulars	Audited Figures (In Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	16.93	16.93
	2.	Total Expenditure	1,088.44	1,088.44
	3.	Net Profit/(Loss)	(1,071.50)	(1,071.50)
	4.	Earnings Per Share	(4.25)	(4.25)
	5.	Total Assets	4,441.14	4,441.14
	6.	Total Liabilities	32,966.30	32,927.43
	7.	Net Worth	(28,525.16)	(28,525.16)
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: Refer to the Audit Report		
	b.	Type of Audit Qualification : Disclaimer of Opinion		
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing - Second Time.		

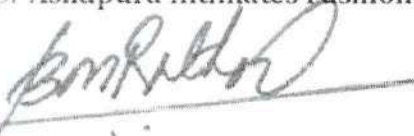
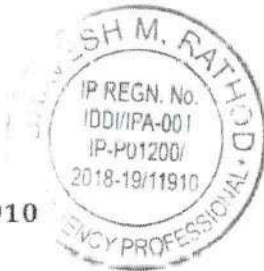
Ashapura Intimates Fashion Pvt. Ltd.

Reg. Off. Unit No. 2/3/4, Pooja Plaza, Masjid Galli, Near Tilak Bhavan, Dharu Road, Mumbai - 28. ☎ 022 3293143 📠 24331552/53
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	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Since the company is in Liquidation, refer to the Audit Report. e. For Audit Qualification(s) where the impact is not quantified by the auditor: Since the company is in Liquidation, refer to the Audit Report. (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:
III.	Signatories: For Ashapura Intimates Fashion Limited (in Liquidation)  Bhavesh Rathod Liquidator IBBI/IPA- 001/IPPP01200/2018-19/11910  Place : Date:
	Statutory Auditor: For AGARWAL & DHANDHANIA Chartered Accountants  CA Alok Dhandhania Partner M. No. 111062 FRN NO. 125756W Place : MUMBAI Date: 14/5/2021 

Statutory Audit Report
of
Ashapura Intimates Fashion Limited
for
Year ended 31/3/2020

by

**AGARWAL &
DHANDHANIA**
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON IND AS STANDALONE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2020

To,
The Members of ASHAPURA INTIMATES FASHION LIMITED

Report on the Audit of the Ind AS Standalone Financial Statements**Disclaimer of Opinion**

We were engaged to audit the accompanying IND AS Standalone financial statements of **ASHAPURA INTIMATES FASHION LIMITED** ("the company"), which comprise the standalone balance sheet as at March 31, 2020, the standalone statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the IND AS standalone financial statements, including a summary of significant accounting policies (hereinafter referred to as the "IND AS Standalone Financial Statements").

We do not express an opinion on the accompanying IND AS standalone financial statements of the company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1) We are unable to obtain sufficient appropriate audit evidence regarding the opening balances of 01.04.2018 and so we are unable to comment on the opening balances of 01.04.2019 due to unavailability of the relevant supporting documents/information of last year.

2) Multiple irregularities and suspected fraudulent transactions were noted during the year ended 31st March, 2018 and 31st March, 2019 on the basis of preliminary assessment done by IRP/RP during the CIRP process and provided to us.

We are unable to comment on the consequential impact, if any, on the financial statements of the outcome of any investigations/enquiry by law enforcement agencies and outcome of related litigation and claims.

3) We are unable to comment on the necessary adjustments/disclosures in these financial statements in relation to the following items, in view of non-availability of certain necessary information/documentation/satisfactory explanations relevant to the current year audit-

- Reconciliation of trade payables and other payables outstanding as on 31.03.2020 in the absence of confirmations from the parties
- Non reconciliation of various other receivables outstanding as on 31.03.2020 in the absence of necessary information/documentation

4) The Company has not deposited various statutory liabilities with Concerned Government authorities and has failed to comply with filing of necessary returns under various Acts during FY 2017-2018, 2018 - 2019. The company has not made any provision for interest/penalty for such defaults.

5) Various Trade receivables and Advance to suppliers appears to be fraudulent in nature, on the basis of the information/details provided by IRP/RP during the CIRP process. Further, balance confirmations were not received for the parties which raises a significant doubt on the closing balances as on 31.03.2020.

6) The company has filed its Income Tax Return and Tax Audit Report for the year ending 31st March 2019 under Income Tax Act, 1961.

7) During Period the Debit bank accounts were freezed and only two bank accounts of SBI were in operation and balances of operative accounts were appropriate as per Books of Accounts.

8) The Secretarial audit report for F.Y 2018-19/2019-20 has not been provided to us. Further, due to non-availability of Signed Board minutes, Audit committee minutes, Stakeholder relationship committee minutes and minutes of other committees of the board, as applicable to the company, we are unable to comment on the compliances of various provisions of Companies Act, 2013.

9) The company has extended interest free loan to subsidiaries and directors in previous Financial years and was provided off as provision for bad and doubtful debts in FY 2018-19 which was in contravention of Sec 185 and 186 of the Companies Act, 2013. And in CFY there were no such transactions as the company was not in operation.

10) The company has not entered into any related party transactions in contravention of Sec 177 and 188 of the Companies Act, 2013 and requirements of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 during FY 2019-20 as the company was not in operation in this year.

11) The company had received share application money in FY 2017-18 of INR 270 Lakh which is still pending for allotment as on 31.03.2019 and it falls under the definition of deposits as per rule 2(c) to Chapter V of the Companies Act 2013 and is in contravention of Sec 73 of the Companies Act 2013 and we are unable to comment on the consequential impact, if any, on the financial statements of the such noncompliance.

12) The company has not obtained the valuation from the independent actuary as on 31.03.2020 for the defined benefit plans and long-term employee benefits in compliance of IND AS 19. The provisions have been kept at same amount as on 31.03.2018 as determined as on 31.03.2018 by the actuary. We are unable to comment on the consequential impact, if any, on the financial statements.

13) The company has provided us with the details of pending litigations/claims etc. against the company with various regulatory authorities, vendors, customers, employees and others and they were accounted in Financials accordingly.

14) In the absence of necessary information/documentation, the necessary compliances as per applicable Indian Accounting Standards (IND AS) could not be verified and we are unable to comment upon the consequential impact of the same, if any, on the financial statements

15) The shareholding as on 31.03.2020 was not made available to us and Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

16) The Company has filed its financial results for the periods ended 31 March, 2019 as prescribed under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17) During the course of review, we observed a bank account in the name of South Indian Bank, the existence of which could not be verified in the absence of bank statement, confirmation and/or other documentations. Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

18) The provision for Deferred tax Liability/Assets could not be ascertained as on 31.03.2020 due to non-availability of necessary information. Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

19) The fixed asset register of the company as on 31.03.2020 was checked with accounts but due to Covid -19 physical verification was not done.

20) In the absence of reconciliations of trade receivables/trade payables/payables/receivables in foreign currency and non-availability of information in respect of quantum of foreign currency of foreign trade receivables/trade payables/payables/receivables, the restatements required as on 31.03.2020 as per IND

AS 21 "The Effects of Changes in Foreign Exchange Rates" could not be effected in the financial statements as on 31.03.2020. Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

21) In the absence of the complete details of rental agreements entered into by the company, the compliance of the requirements of IND AS 17 "Leases" could not be verified. Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

22) The completeness of related party transactions could not be verified and hence the disclosure for related party transaction as required by IND AS 24 "Related Party Disclosures" has been verified on the basis of books of accounts and available information/documentation. Consequently, we are unable to comment on the impact, if any, of the same on the financial statements.

Material Uncertainty Relating to Going Concern

We draw attention to Note no 1B(a) and Note no 43(v) of the accompanying IND AS Standalone Financial Statements which brings out in detail the fact that the company's net worth is fully eroded as on the 31.03.2020 by its accumulated losses. Also, IDFC First Bank Limited, a financial creditor has filed a petition for initiating Corporate Insolvency Resolution Process (CIRP) on 29th November, 2018 which was approved by Hon'ble NCLT vide order dated June 28th, 2019.

These events or conditions, along with other matters as set forth in the said note and other notes in the "Basis of disclaimer of opinion" para above, indicate the existence of multiple uncertainties that are significant to the financial statements as a whole and cast a significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the IND AS Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the IND AS Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the Key Audit Matter
Implementation of Hon'ble NCLT orders under IBC code and Resolution Plan related impacts: During the year the Company has been subject to various challenges on matters relating to the IBC, including Implementation of NCLT order under IBC code and Resolution Plan related impacts. The transactions are complex and there are areas of uncertainty relating to the manner in which the law/regulation will apply and transaction will be recorded in books along with other compliances. This requires high level of judgment in an assessment of above matters.	Principal Audit Procedures: We used our expertise to gain an understanding of the NCLT orders under IBC code, Resolution Plan and its related implication by reference to relevant records made available by the Company. The implementation of Hon'ble NCLT orders under IBC code and recording in books had been appropriately made to reflect all the direct or incidental impact that could be given effect upto March 31, 2020. - We evaluated the design and implementation of controls in respect of identifying uncertain positions and scheme of entries relating to the transaction, which we found to be satisfactory for the purposes of our audit. We also evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate; - We went through correspondence received by the Company from Hon'ble NCLT, updating our evidence for audit;

	- discussed with management the advice and action they had taken with regards to the transaction and reviewed any associated documents; and - discussed certain aspects of the matter directly with the Companies legal and compliance team/advisers. We concluded that the position adopted in the financial statements was reasonable based on the work we performed; - We have assessed the appropriateness of the related disclosures in notes of the Company's IND AS Standalone Financial Statements, and considered them to be reasonable.
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Information Other than the IND AS Standalone Financial Statements and Auditor's Report There

The Company's Management under the direction of the Resolution Professional (RP)/ Monitoring Committee (MC) is responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the IND AS Standalone Financial Statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

Our opinion on the IND AS Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the IND AS Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the IND AS Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the IND AS Standalone Financial Statements

On June 28, 2019 the Hon'ble National Company Law Tribunal (NCLT) had admitted the petition for initiating the Corporate Insolvency Resolution (CIR) Process under the provisions of the Insolvency Bankruptcy Code, 2016 (IBC). Further vide NCLT order copy dated June 28, 2019 pursuant to Section 17 of the IBC, the powers of the Board of Directors stand suspended, and such powers vest with the Interim Resolution Professional, Mr. Kashyap Vaidya whose appointment was subsequently confirmed by the Committee of creditors (CoC) as the Resolution Professional (the "RP").

The Company's Management under the direction of the IRP/RP/MC is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (IND AS) and other accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act read with in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 IND AS Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or

error.

For the period April 1, 2019 to June 27, 2019 the Company was under the erstwhile management of the suspended Board of Directors and their authorised representatives, the RP has relied on the certifications, representations and statements made by the suspended Board of Directors and their authorised representatives for such period.

For the period June 28, 2019 to March 31, 2020 the powers of the Board of Directors stand suspended, and such powers vest with the Interim Resolution Professional, Mr. Kashyap Vaidya whose appointment was subsequently confirmed by the Committee of creditors (CoC) as the Resolution Professional (the "RP").

Under section 20 of Code, it is incumbent upon Resolution Professional to manage the operations of the Company as a going concern and the Financial Statements have been prepared on going concern basis.

The written representations with regard to these AS Financial Statements provided to us during the course of our audit, have been signed by the Resolution Professional, who has been appointed subsequent to the year end March 2019.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS Standalone 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 IND AS 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 IND AS 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 controls 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.
- 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 IND AS 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 IND AS Standalone Financial Statements, including the disclosures, and whether the IND AS 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.

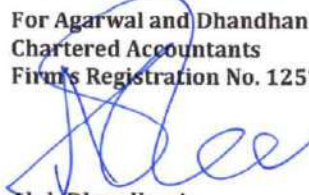
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the IND AS Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) As described in the Basis for Disclaimer of Opinion Paragraph, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion Paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion Paragraph, we are unable to state whether financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - (e) The matter described in the "Basis for Disclaimer of Opinion Paragraph and Material Uncertainty Related to Going Concern paragraph" above may have an adverse effect on the functioning of the Company;
 - (f) reservation relating to the maintenance of accounts and other matters connected there with are as stated in the basis for disclaimer of opinion paragraph above;
 - (g) 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;
 - (h) 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 35 to the IND AS Standalone Financial Statements;
- ii. In the absence of the relevant information/documents, we are unable to comment if the Company have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. In the absence of the details of unpaid dividend of 7.86 lakhs as on 31.03.2019 (Refer note 20), we are unable to comment if any amount was not transferred to the Investor Education and Protection Fund by the Company.

For Agarwal and Dhandhania
Chartered Accountants
Firm's Registration No. 125756W


Alok Dhandhania
Partner
Membership No. 111062
Place of Signature: Mumbai
Date: 12-01-2021
UDIN: 21111062AAAAFW3010



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in our report of even date to the members of Ashapura Intimates Fashion Limited on the IND AS Standalone Financial Statements for the year ended 31st March, 2020, we report that:

- (i) (a) In the absence of the sufficient appropriate audit evidence, we are unable to comment whether the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- (b) In our opinion and according to the information and explanation given to us during the course of audit, property, plant and equipment have not been physically verified by the management at reasonable interval having regard to the size of the company and the nature of its assets and hence we are unable to comment in respect of para 3(i)(b) of the Order
- (c) According to the information and explanations given to us, the title deeds of the immovable properties were not made available to us and hence we are unable to comment in respect of para 3(i)(c) of the Order.
- (ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified by Resolution Professional's team. As per the physical verification valuation report provided by Resolution Professional, material discrepancy was noticed between the physical stocks and the book records and the same has been appropriately dealt with in the books of accounts.
- (iii) In the absence of Register of Contracts or arrangements to be maintained under section 189 of Companies Act, we are unable to verify the completeness of parties covered u/s 189 of Companies Act, 2013.

However, on the basis of the information and explanations provided to us and on the basis of book of accounts and records as available with us, we observed that the company has granted loans of INR 2,026.39 lakh to 4 parties during the year out of which INR 1,094.07 lakh is still outstanding as on 31.03.2020. In respect of the same, we report as under:

- a) The loans have been given without any interest and are prejudicial to the company's interest. Other terms and conditions of the loans are not known in the absence of the written agreement and hence we cannot comment whether other terms and conditions are prejudicial or not.
- b) The schedules of repayment of principal and payment of interest have not been stipulated and hence we cannot comment upon the regularity of repayments/receipts, if any.
- c) In the absence of written agreement and non-stipulation of schedule of repayment of principal and payment of interest, the amount total amount overdue for more than 90 days is not ascertainable.
- (iv) In our opinion and according to the books of accounts available with us, the Company has not complied with the provisions of section 185 and 186 of the Act. The details of default are as under:

Section 185 of the Companies Act, 2013

- The company has granted loan of INR 856.01 lakh to one director i.e., Mr Harshad Thakkar with maximum balance of INR 850.76 lakh and outstanding amount of ₹ 212.00 lakh as on 31.03.2019 in contravention of sec 185 of Companies Act, 2013 (thereafter were written off as bad and doubtful loans).
- The company has granted loan to one person in whom director (i.e., Ms Harshad Thakkar) is interested i.e., M/s. AIFL Vastram Private Limited with maximum balance of ₹ 1.02 lakh and outstanding amount of INR 1.02 lakh as on 31.03.2019 in contravention of sec 185 of Companies Act, 2013 (thereafter were written off as bad and doubtful loans).

Section 186 of the Companies Act, 2013

S.No.	Non-compliance of Section 186				
	Particulars	Name of the Company/party	Amount Involved	Balance as at 31.03.2019	Balance as at 31.03.2020
1.	Investment in equity shares exceeding the limits without prior approval by means of a special resolution	M/s AIFL Vastram Private Limited (Subsidiary Company)	0.20 lakh	0.20 lakh	-
2.	Loan given exceeding the limits without prior approval by means of a special resolution	M/s AIFL Vastram Private Limited (Subsidiary Company)	1.02 lakh	1.02 lakh	-
		Mr Harhsad Thakkar (Director)	856.01 lakh	212.00 lakh	-
3.	Loan given at rate of interest lower than prescribed	M/s AIFL Vastram Private Limited (Subsidiary Company)	1.02 lakh	1.02 lakh	-
		Mr Harhsad Thakkar (Director)	856.01 lakh	212.00 lakh	-
		M/s AIFL Retails Private Limited (Wholly Owned Subsidiary)	883.19 lakh	881.05 lakh	-
		M/s AIFL E-Commerce Private Limited (Wholly Owned Subsidiary)	268.18 lakh	Nil	-

Further, the company has not granted any guarantee or security; accordingly, to this extent paragraph 3(iv) of the Order is not applicable.

- (v) In terms of the books and records examined by us, we state that the Company has accepted deposit from the public in terms of section 73 to 76 of the Act and the rules framed there under. The company had received share application money in FY 2017-18 of INR 270.00 Lakh which is still pending for allotment as on 31.03.2020 and it falls under the definition of deposits as per rule 2(c) to Chapter V of the Companies Act 2013 and is in contravention of Sec 73 of the Companies Act 2013. Further, in the absence of the relevant records/information/documentation, we are unable to comment whether the company has received any other amount covered under the definition of deposit as per rule 2(c) to Chapter V of the Companies Act 2013

- (vi) In the absence of cost accounts and records, we were unable to review the records to determine whether they are made and maintained. Accordingly, we are unable to comment on para 3(vi) of the Order
- (vii) (a) According to the information and explanations given to us and the books and records examined by us, we state that the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases. There are no outstanding statutory dues for more than six months from the date they became payable as on 31st March 2020 except as below:
1. Service Tax of INR 0.71 lakhs
 2. Gujarat Labour Welfare fund of INR 0.00288 lakh
 3. TDS demands of INR 38.34 lakh for multiple assessment years
 4. Income tax demands of INR 1721.35 lakh for multiple assessment years
 5. GST Payable of 2034.45 lakh for multiple financial years.

The period to which above statutory dues relates along is not available to us and hence the same could not be reported

- (b) Except for the effects of the matter described in note no 14 of the "Basis of Disclaimer of Opinion Paragraph" in our main report, as per the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

In the absence of sufficient evidence and explanation, we are unable to comment on its completeness.

- (viii) According to the information and explanations given to us and the books and records examined by us, the company has defaulted in repayment of loans or borrowings from bank and financial institution. The period and amount of default is as below:

Particulars	Amount of default as at 31.03.2020 (In lakhs)	Period of default
State Bank of India (including Cash Credit, Term loans and Bills of Exchange)	12016.57	Due to non-availability of loan-recall letters from the banks and other relevant information/documentation, we are unable to compute the period of default
IDFC First Bank Limited (Cash Credit Loans)	4,208.05	
Yes Bank Limited (including letter of Credit)	1112.50	
IFCI venture capital Funds Limited (Term Loan)	944.59	
SIDBI (Term Loans)	876.15	
Union Bank of India (Bills of Exchange)	387.22	
Fullerton India Credit Company Limited	1254.81	
United Bank of India (Bills of Exchange)	83.99	
Bank of Baroda (Bills of Exchange)	365.98	

- (ix) The company has raised money by way of term loans from banks and other lenders during the year. However, due to non-availability of the relevant details of utilisation of funds and other relevant information/documentation, we are unable to comment on the utilisation of the funds for the purposes for which raised.

Further, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, to this extent, paragraph 3(ix) of the Order is not applicable.

- (x) According to the information and explanation given to us and on the basis of examination of books of accounts and internal assessment by IRP/RP, there are certain transactions which indicates that officers and/or directors of the company has done fraud on the company, the details of which are as under:-

- (a) Working capital facility for transactions amounting to INR 16,740.00 lakh has not been utilized for business operations. Instead, it was used for withdrawals by directors.
- (b) Term Loan of INR 900 lakhs received from IFCI Venture Capital Funds Limited on 28 September, 2018 was transferred to the personal bank account of Mr. Harshad Thakkar (Director) within 2 days of disbursement of loan. This was reported as a fraudulent transaction by IFCI to RBI on 30 April, 2019.
- (c) Out of the total withdrawals of INR 16,740.00 lakhs, a sum of INR 212.00 lakhs by Mr. Harshad Thakkar remains unpaid as on 31.03.2020 and thereby indicates fraudulent withdrawals by director.
- (d) There are major transactions of Sales and purchases (sales amounting to INR 16,100.00lakh) with parties which have no operations at the registered office and are not existing at the registered place. Their nature of business is not in line with fabrics/company's business and most of them are directly and/or indirectly related to company through common directorship or address or otherwise.
- (e) As per books of accounts, there is one receipt from company's account in South Indian Bank in current account of the company in State Bank of India (SBI) on 01.04.18 for Rs.531.69 lakh. However, receipt entry could not be traced in bank statement of the said SBI Account and we have not received bank statement/other document of existence of account in South Indian Bank.

We were not provided with the sufficient appropriate audit evidence to substantiate the amount and completeness of fraudulent transactions. Hence, we are unable to comment on the correctness and completeness of the same.

- (xi) In our opinion and according to the information and explanation given to us during the course of audit, we are unable to comment whether the managerial remuneration paid by the company is in accordance with the requisite approvals as mandated by the provisions of Section 197 of the Act read with Schedule V of the Act or not.
- (xii) In our opinion and according to the information and explanation given to us during the course of audit, the company is not a Nidhi company. Therefore, clause 3(xii) of the Order are not applicable.
- (xiii) In the absence of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, the transactions with the related parties are in non-compliance with sections 177 & 188 of the Act wherever applicable. However, details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
In the absence of the relevant information/documentation, we are unable to comment upon the completeness of the disclosure of related party transactions

- (xiv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
- (xv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we are unable to comment whether the Company has entered into non- cash transaction with directors or persons connected with him or not.
- (xvi) In our opinion and according to the information and explanation given to us during the course of audit, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Agarwal and Dhandhania
Chartered Accountants

Firm's Registration No. 125756W

Alok Dhandhania
Partner

Membership No. 111062

Place of Signature: Mumbai

Date: 12-01-2021

UDIN: 21111062AAAAFW3010



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in our report of even date to the members of ASHAPURA INTIMATES FASHION LIMITED on the IND AS Standalone Financial Statements for the year ended 31st March, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls with reference to financial statements of ASHAPURA INTIMATES FASHION LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the IND AS Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to IND AS Standalone Financial Statements

On June 28, 2019 the Hon'ble National Company Law Tribunal (NCLT) had admitted the petition for initiating the Corporate Insolvency Resolution (CIR) Process under the provisions of the Insolvency Bankruptcy Code, 2016 (IBC). Further vide NCLT order copy dated June 28, 2019 pursuant to Section 17 of the IBC, the powers of the Board of Directors stand suspended, and such powers vest with the Interim Resolution Professional, Mr. Kashyap Vaidya. His appointment was subsequently confirmed by the Committee of creditors (CoC) as the Resolution Professional (the "RP").

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 ICAI 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 with reference to financial statements. 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 with respect to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion on the Company's internal financial controls system with respect to financial statements.

Meaning of Internal Financial Controls with respect to financial statements

A Company's internal financial control with respect to financial statements 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 with respect to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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.

Inherent Limitations of Internal Financial Controls with respect to financial statements

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

Basis for Disclaimer of Opinion

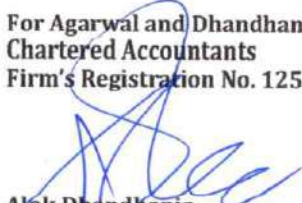
According to the information and explanation given to us, the Company has not made available to us the established internal financial controls with respect to financial statements on criteria based on or considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI

Disclaimer of Opinion

The system of internal financial controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the IND AS Standalone Financial Statements of the Company, and the disclaimer does not affect our opinion on the IND AS Standalone Financial Statements of the Company.

For Agarwal and Dhandhania
Chartered Accountants
Firm's Registration No. 125756W


Alok Dhandhania
Partner
Membership No. 111062
Place of Signature: Mumbai
Date: 12-01-2021
UDIN: 21111062AAAAFW3010



ASHAPURA INTIMATES FASHION LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

(In ₹ Lakh)

Particulars	Note No.	As at 31st March, 2020 Rs.	As at 31st March, 2019 Rs.
I ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	1392.12	1,596.99
(b) Investment	3	-	-
(c) Financial assets			
(i) Trade receivables	4	-	-
(ii) Loans	5	-	-
(iii) Other financial assets	6	-	-
(d) Deferred tax assets (net)	39	-	-
(e) Other non-current assets	7	2,034.46	2,034.46
Total non-current assets		3,426.58	3,631.45
Current assets			
(a) Inventories	8	1,104.87	1,104.87
(b) Financial assets			
(i) Trade receivables	9	(138.01)	-
(ii) Cash and cash equivalents	10	35.49	201.62
(iii) Bank balances other than cash and cash equivalents	11	8.39	8.42
(iv) Loans	12	(13.97)	-
(c) Other current assets	13	17.78	-
Total current assets		1,014.57	1,314.91
Total assets		4,441.14	4,946.36
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	2,521.14	2,521.14
(b) Other equity		(31,046.30)	(29,974.79)
Total equity		(28,525.16)	(27,453.65)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	-
(ii) Other financial liabilities	16	-	-
(b) Provisions	17	38.87	38.87
(c) Deferred tax liabilities (net)	39	-	14.16
Total non-current liabilities		38.87	53.03
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	18,485.08	18,125.71
(ii) Trade payables	19	-	-
(A) total outstanding dues of micro enterprises and small enterprises;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,495.97	4,493.23
(iii) Other financial liabilities	20	5,938.10	5,876.10
(b) Other current liabilities	21	2,268.44	2,112.04
(c) Provisions	22	18.55	18.55
(d) Current tax liabilities (net)	22-A	1,721.29	1,721.35
Total current liabilities		32,927.43	32,346.98
Total equity and liabilities		4,441.14	4,946.36

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

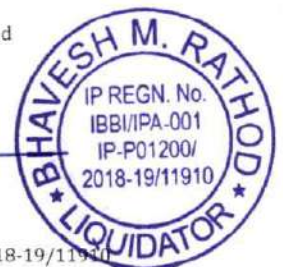
As per our attached report of even date
For Agarwal and Dhandhanania
Chartered Accountants
Firm's Registration No. 125756W

Alok Dhandhanania
Partner
Membership No. 111062
Place : Mumbai
UDIN: 21111062AAAAFW3010
Date : 12-01-2021



As per my Disclaimer of even date
For Ashapura Intimates Fashion Limited

Bhavesh Rathod
IBBI no. IBBI/PA-001/IP-P01200/2018-19/11910
Place : Mumbai
Date : 12-01-2021



ASHAPURA INTIMATES FASHION LIMITED
STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(In ` Lakh)

Particulars	Note No.	Year Ended 31st March, 2020 Rs.	Year Ended 31st March, 2019 Rs.
I Revenue from operations	23	1.08	12,516.08
II Other income	24	15.85	46.03
III Total revenue (I + II)		16.93	12,562.11
IV Expenses			
Cost of materials consumed	25	-	5,817.62
Purchases of stock-in-trade		-	11,523.36
Excise duty			-
Changes in inventories of finished goods and work-in-progress	26	-	904.07
Employee benefits expense	27	0.98	786.37
Finance costs	28	734.28	1,981.60
Depreciation and amortization expense	29	204.87	251.58
Other expenses	30	148.31	1,859.97
Total expenses		1,088.44	23,124.57
V Profit/(loss) before exceptional items and tax (III - IV)		(1,071.50)	(10,562.46)
VI Exceptional Items	31	-	38,599.25
VII Profit/(loss) before tax (V - VI)		(1,071.50)	(49,161.71)
VIII Tax expenses	39		
Current tax		-	-
Income tax for earlier years		-	13.90
Deferred tax expense		-	32.14
Less: Mat Credit Entitlement		-	206.99
Total Tax Expenses		-	253.03
IX Profit/(loss) for the year (VI-VII)		(1,071.50)	(49,414.74)
X Other comprehensive income		-	-
XI Total comprehensive income/(loss) for the year (IX+X)		(1,071.50)	(49,414.74)
Earnings per equity share of Rs. 10 each (Basic)	32	(4.25)	(196.00)
Earnings per equity share of Rs. 10 each (Diluted)		(4.25)	(196.00)

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

As per our attached report of even date
For Agarwal and Dhandhanania
Chartered Accountants
Firm's Registration No. 125756W

Alok Dhandhanania
Partner
Membership No. 111062
Place : Mumbai
UDIN: 21111062AAAAFW3010
Date : 12-01-2021



As per my Disclaimer of even date
For Ashapura Intimates Fashion Limited

Bhavesh Rathod
IBBI no. IBBI/IPA-001/IP-P01200/2018-19/11910
Place : Mumbai
Date : 12-01-2021



ASHAPURA INTIMATES FASHION LIMITED
Statement of changes in equity for the Period ended March 31, 2020
Amount in Rupees Lakh unless otherwise stated

(a) Equity Share Capital

Particulars	Amount as on 31.03.2020	Amount as on 31.03.2019
Opening Balance	2,521.14	2,521.14
Changes in share capital during the year	-	-
Closing Balance	2,521.14	2,521.14

(b) Other Equity

Particulars	Share application on money pending allotment	Reserves and surplus			Total
		Capital redemption reserve	Securities Premium	Retained earnings	
Balance as at 1st April, 2017	406.25	435.37	5,754.75	5,597.12	12,193.49
Profit for the year	-	-	-	6,219.45	6,219.45
Other comprehensive income for the year (Net)	-	-	-	-	-
Total comprehensive income for the year	-	-	-	6,219.45	6,219.45
Dividend paid during the year	-	-	-	(126.06)	(126.06)
Shares Issued during the year	-	-	1,584.98	-	1,584.98
Conversion into Equity Shares	(1,625.00)	-	-	-	(1,625.00)
Monies received during the year	1,488.75	-	-	-	1,488.75
Balance as at 1st April, 2018	270.00	435.37	7,339.73	11,690.51	19,735.61
Add : Profit for the year	-	-	-	(49,414.74)	(49,414.74)
Less : Corporate dividend tax paid	-	-	-	(25.66)	(25.66)
Less: Transfer to Current Financial Liabilities	270.00	-	-	-	(270.00)
Balance as at 31st March, 2019	-	435.37	7,339.73	(37,749.89)	(29,974.79)
Add : Profit for the year	-	-	-	(1,071.50)	(1,071.50)
Less : Corporate dividend tax paid	-	-	-	-	-
Less: Transfer to Current Financial Liabilities	-	-	-	-	-
Balance as at 31st March, 2020	-	435.37	7,339.73	(38,821.40)	(31,046.30)

Notes:

Securities Premium

Securities premium reserve represents premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

Capital redemption reserves represents reserve created at the time of redemption of preference shares to keep the capital base intact. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings comprise of the Company's undistributed earnings after taxes.

Significant accounting policies

The notes referred to above form an integral part of the financial statements

1

As per our attached report of even date
For Agarwal and Dhandhanika
Chartered Accountants
Firm's Registration No. 125756W

Alok Dhandhanika
Partner
Membership No. 111062
Place : Mumbai
UDIN: 21111062AAAAFW3010
Date : 12-01-2021



As per my Disclaimer of even date
For Ashapura Intimates Fashion Limited

Bhavesh Rathod
IBBI no. IBBI/IPA-001/IP-P01200/2018-19/11910
Place : Mumbai
Date : 12-01-2021



ASHAPURA INTIMATES FASHION LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	Year Ended 31st March, 2020 Rs.	Year Ended 31st March, 2019 Rs.
Cash flow from operating activities:			
Net profit after exceptional items and tax		(1,071.48)	(49,161.70)
MAT Credit Written off		-	(206.99)
Adjustment to reconcile profit before tax to net cash flows			
Depreciation & amortizaion Expense		204.87	251.58
Adjustment for Write off cash in hand as on 31-Mar-19		-	(36.24)
Finance Charges including changes due to foreign exchange fluctuation		734.28	1,940.41
Interest Received		(3.73)	(37.89)
Profit / loss on sale of property			-
Operating profit before working capital changes		(136.06)	(47,250.83)
Adjustment for			
(Increase)Decrease in Trade receivable		125.87	14,117.80
(Increase)Decrease in Inventories		(0.00)	8,395.71
(Increase)Decrease in Short Term Loans and Advances		(17.78)	5,918.05
(Increase)Decrease in Ear Marked Bank Deposits		0.03	(7.25)
(Decrease) Increase in Trade and other payables		2.74	3,700.01
(Decrease)Increase in current financial Liability		74.15	3,046.04
(Decrease)Increase in Other Current Liability		170.33	1,844.41
(Decrease)Increase in Other Current Tax Liability		(0.06)	
Cash generated from operations		219.20	(10,236.06)
Direct taxes paid (net)		(14.16)	(46.04)
A Net cash generated from operating activities		205.04	(10,282.10)
Cash generated from investing activities			
Purchase of property, plant and equipment		-	(98.54)
Proceeds from sale of property, plant and equipment		-	12
Purchase of investments (net)		-	(802.20)
Interest received		3.73	37.89
B Net cash flow (used in) from investing activities		3.73	(851.28)
Cash generated from financing activities			
Proceeds from Issue of Shares/Share Application Money.		-	-
Increase (Decrease) in Long term loan		-	-
Increase (Decrease) in Working Capital Finance		417.59	8,811.09
Increase (Decrease) in Unsecured Loans		(58.22)	2,461.34
Dividend paid		-	-
Finance charges payable		(734.28)	-
C Cash generated from financing activities		(374.91)	11,272.43
D Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)		(166.13)	139.06
Cash and Cash equivalents			
At the beginning of the year		201.63	59.16
Add minor difference on account of rounding off			3.41
At the end of the year exclusive of cash balance write off		35.49	201.63

Note 1: The cash flow for the FY 2018-19 has been prepared basis the records provided to the office of the Resolution Professional and to the extent of information and explanation given to him by the management/ erstwhile Board of Directors. Since the Resolution Professional was appointed subsequent to the end of the period under reporting, RP has relied on the certifications, representations and statements made by such members of the Board and the management of the companyfor such period for the purposes of above cash flow preparation

Note 2: Cash flow for the FY 2017-18 is based on the published annual report of the company for the company for the said period



ASHAPURA INTIMATES FASHION LIMITED

Notes of the Financial Statements for the year ended 31st Mar, 2020

Amount in Rupees Lakh unless otherwise stated

Note 2: Property, plant and equipment

The following table shows changes in Property, plant and equipment during the year ended 31st March, 2020:

Assets	Gross Carrying Value			Closing as on 31-03.2020	Accumulated Depreciation			Net Carrying Value	
	Opening as on 01-04-2019	Additions during the year	Deletions		Opening as on 01-04-2019	Depreciation for the year	Deletions/ adjustments	Closing as on 31-03.2020	Closing as on 31-03.2019
Building									
Office Premises	785.51	-	-	785.51	196.58	29.49	-	559.44	588.93
Factory Premises	944.74	-	-	944.74	476.45	44.43	-	423.86	468.29
Plant & Equipment (including Factory Equipment, Electrical Fitting etc)	422.93	-	-	422.93	260.37	28.78	-	133.78	162.56
Furniture & Fixture	853.27	-	-	853.27	519.33	85.38	-	248.56	333.94
Vehicles	56.31	-	-	56.31	46.42	3.30	-	49.72	9.89
Office Equipment	68.24	-	-	68.24	58.95	4.21	-	5.08	9.29
Others									
Air Conditioner	1.65	-	-	1.65	1.48	0.07	-	1.55	0.17
Computers & Printers	182.47	-	-	182.47	165.46	7.38	-	172.84	17.01
Electrical Installation	22.54	-	-	22.54	15.63	1.83	-	17.46	5.08
Total	3,337.66		-	3,337.66	1,740.67	204.87	-	1,945.54	1,596.99

Note (i) Contractual Obligations and restrictions

Loans from banks are secured against hypothecation of movable assets and immovable property as above



ASHAPURA INTIMATES FASHION LIMITED
Notes of the Financial Statements for the year ended 31st Mar, 2020
Amount in Rupees Lakh unless otherwise stated

NOTES RELATED TO BALANCE SHEET

NON CURRENT ASSETS

3 Investment in Subsidiaries

Particulars	As at 31st March, 2020	As at 31st March, 2019
<i>(Valued at cost unless otherwise stated)</i>		
In Equity Shares (unquoted and fully paid up)		
I. Wholly-Owned subsidiaries		
M/s AIFL E-Commerce Private Limited		401.00
40,10,000 (31st March, 2018: Nil) Equity Shares of ₹ 10/- each fully paid		
M/s AIFL Retails Private Limited		401.00
40,10,000 (31st March, 2018: Nil) Equity Shares of ₹ 10/- each fully paid		
A	-	802.00
II. Subsidiary		
M/s AIFL Vastram Private Limited		0.20
2,000 (31st March, 2018: Nil) Equity Shares of ₹ 10/- each fully paid		
B	-	0.20
Total (A+B)	-	802.20
Less: Provision for Impairment in the value of investments*		(802.20)
Total	-	-

The fair valuation of the investments made in subsidiary companies is not available. The net worth of the subsidiaries is found to be fully eroded based on the unaudited books of accounts as at 31.03.2019. Accordingly, the same is fully provided for.

Aggregate amount of quoted investments

-

Aggregate market value of quoted investments

-

Aggregate amount of un-quoted investments

802.20

Aggregate amount of impairment in value of investments

(802.20)

FINANCIAL ASSETS

4 Trade Receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019
<i>(Unsecured)</i>		
Trade Receivables- credit impaired	-	18,461.53
Less: Allowance for bad and doubtful debts	-	(18,461.53)
Total	-	-

The Company recognises lifetime expected credit losses on trade receivables using a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix in FY 2018-19 and so Nil in FY 2019-20



5 Loans

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loan to related parties (Interest free, unsecured)		
<u>Loans Receivables - credit impaired</u>		
<u>To subsidiaries</u>		
- M/s AIFL Retails Private Limited	-	881.05
- M/s AIFL Vastram Private Limited	-	1.02
<u>To Director</u>		
- Mr Harhsad Thakkar	-	212.00
Loan To Employees	-	14.89
Less: Allowance for bad and doubtful loans	-	(1,108.96)
Total	-	-

* The company has no written agreement with the subsidiaries for loans extended. The loans were interest free and unsecured

6 Other Financial Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>(Unsecured)</u>		
Sundry deposits- credit impaired	-	1,535.81
Less: Allowance for bad and doubtful deposits	-	(1,535.81)
	-	-
Other receivables	-	83.43
Less: Allowance for bad and doubtful receivables	-	(83.43)
	-	-
Bank deposits with more than 12 months of original maturity*	-	-
Total	-	-

* Includes Interest accrued on same which was written off in 31.03.2019 and so Nil in 31.03.2020

NON-FINANCIAL ASSETS

7 Other Non-Current Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Advance	-	-
<u>Advances other than capital advances</u>		
Advance to Supplier	-	7,213.57
Less: Allowance for bad and doubtful advances	-	(7,213.57)
	-	-
<u>Others</u>		
Prepaid expense	-	-
Balances with government authorities*	2,034.46	2,034.46
Mat Credit Entitlement	-	-
Total	2,034.46	2,034.46

* The company has recognised and retained the input receivable under GST laws to the extent of output liability as on 31.03.2020

CURRENT ASSETS

8 Inventories (As taken, valued and certified by the management)

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Raw materials	-	2,039.20
Finished goods	1,104.87	7,905.49
Stores and spares	-	-
Les: Provision for dimunition in inventories	-	(8,839.82)
Total	1,104.87	1,104.87



*INR 8,839.82 Lacs worth of inventory has been written off on the basis the internal assessment of the current management of the Company. The provisioning has been done to reflect the inventory at the lower of cost or market value in 31.03.2019 and so was reflected at cost or Market Value which ever is Lower in current financials as at 31.03.2020

FINANCIAL ASSETS

9 Trade Receivables

Particulars (Unsecured)	As at 31st March, 2020	As at 31st Mar, 2019
Trade Receivables considered good - Unsecured	(138.01)	-
Total	(138.01)	-

10 Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Balances with Banks		
In Current accounts	35.25	11.56
Cash on hand	-	36.24
Deposit with Bank (with maturity of 3 months or less)	0.24	190.06
Less: Provision for doubtful cash balance		(36.24)
Total	35.49	201.62

11 Bank balances other than cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Earmarked balances with banks:		
In Unpaid Dividend Account	8.39	8.42
Total	8.39	8.42

12 Loans

Particulars (Unsecured)	As at 31st March, 2020	As at 31st Mar, 2019
Other loans		
Loans and advances to employees - credit impaired	(13.97)	-
Total	(13.97)	-

NON-FINANCIAL ASSETS

13 Other Current Assets

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Balances with government authorities	-	-
Advance to suppliers	-	-
Prepaid expenses	-	-
Other Receivable	17.78	-
Total	17.78	-



14 Equity Share Capital

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
AUTHORISED		
3,90,00,000 Equity Shares Of Rs. 10/- each (PY : 3,90,00,000 Equity Shares of Rs. 10 each)	3,900.00	3,900.00
Total	3,900.00	3,900.00
ISSUED, SUBSCRIBED AND PAID-UP		
2,52,11,406 Equity Shares of Rs.10 each, fully paid-up (PY:2,52,11,406 Equity Shares of Rs.10 each, fully paid-up)	2,521.14	2,521.14
Total	2,521.14	2,521.14

I. Details Of Shareholding More Than 5%

Particulars	Shares in %	As at	
		31st Mar. 2020	31st Mar. 2019
		No. of Shares	No. of Shares
Harshad H. Thakker	48.05%	1,21,14,690	1,21,14,690
DSP Blackrock Midcap Fund	5.06%	12,76,851	12,76,851

Note: The shareholding as on 31.03.2020 is based on shareholding pattern available as on 30.09.2018. The shareholding pattern as on 31.03.2020 is not available with the company

- II. The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding

III. Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Balance as at the beginning of the year	252.11	252.11
Add: Issued during the year	-	-
Balance as at the end of the year	252.11	252.11

IV. Equity shares allotted as fully paid-up (during 6 years preceding March 31,2020) including equity shares issued pursuant to contract without payment being received in cash.

53,43,940 equity shares issued to the shareholders of Momai Apparels Ltd in terms of the scheme of Amalgamation ('the Scheme') sanctioned by the NCLT-Mumbai Branch vide its order dated November 15, 2017.

NON CURRENT LIABILITIES

FINANCIAL LIABILITIES

15 Borrowings

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Term Loans		
Secured		
From Banks & Financial Institutions	-	-
Total	-	-

Note: Term loans from banks are secured against hypothecation of movable assets, immovable property & personal guarantee of Directors.



16 Other Financial Liabilities

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Security Deposits	-	-
Total	-	-

NON-FINANCIAL LIABILITIES
17 Provisions

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Provision for Gratuity	38.87	38.87
Total	38.87	38.87

CURRENT LIABILITIES
FINANCIAL LIABILITIES
18 Borrowings

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
From Banks:		
1. Secured		
Working Capital Loan* [Refer Note 43(iii)]	13,875.42	13,597.94
Letter of credit ** [Refer Note 43(iii)]	1,252.61	1,112.50
2. Unsecured		
Bills of exchange	1,896.11	1,988.68
Unsecured:		
From Related party	775.40	775.40
From Others***	685.54	651.19
Total	18,485.08	18,125.71

Security:

* Working Capital loans from Banks are secured against stock & book debts Equitable mortgage of Factory Premises, Office Premises, Plant & Machinery. The balances of loan from M/s IDFC Limited as on 31.03.2020 as per books of accounts could not be reconciled with the confirmation of balance as received from bank. Hence the shortfall of the liability as per books has been further provided for in accordance with the confirmation received from bank and the corresponding impact of the shortfall has been included in Finance Cost (Note 28) in the absence of reconciliation.

** 20% exclusive collateral in the form of Fixed Deposits/commercial/residential/industrial property and Personal guarantees of Directors i.e., Mr Harshad Thakkar, Mr Dinesh Sodha and Mr Hitesh Punjani

*** Interest Cost for the inter corporate deposits has not been provided fully till 31.03.2020 in accordance with the agreement



19 Trade Payables

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
total outstanding dues of micro enterprises and small enterprises; and		-
total outstanding dues of creditors other than micro enterprises and small enterprises	4,495.97	4,493.23
Total	4,495.97	4,493.23

20 Other Financial Liabilities

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Current maturities of long-term debt* [Refer Note 43(iii)]	4,861.30	4,689.60
Employee benefits payable	604.87	586.52
Unpaid dividends	7.86	7.86
Capital Creditors	25.43	25.59
Security deposits	76.50	220.90
Share Application money pending for Refund**	311.19	311.19
Other payables	50.96	34.44
Total	5,938.10	5,876.10

* Includes Interest accrued and due on borrowings

** Share Application Money received on 24.10.2017 of INR 270 lakhs not allotted within the period of 60 days. As per Section 42 of Companies Act, 2013 the application money is required to be refunded along with interest @ 12% p.a.

NON-FINANCIAL LIABILITIES**21 Other Current Liabilities**

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Contribution Towards CIRP Cost	149.95	
Excess Ratified Cost	0.02	
Statutory Dues	2,118.47	2,112.04
Total	2,268.44	2,112.04

22 Provisions

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Provision for CSR	17.00	17.00
Provision for employee benefits	1.55	1.55
Total	18.55	18.55

22-A Current Tax Liabilities (Net)

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Provision for Taxes	1,721.29	1,721.35
Total	1,721.29	1,721.35



NOTES RELATED TO STATEMENT OF PROFIT AND LOSS

23 Revenue From Operations

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Sale of Products		
Home Market (net of returns)	-	12,249.53
Exports	-	243.37
		12,492.90
Other Operating Income		
Duty Drawback	-	5.17
Profit on Sale of Import License	-	14.14
Miscellaneous Income	1.08	3.87
	1.08	23.18
Total	1.08	12,516.08

24 Other Income

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Interest Income	3.73	37.89
Debtor Recovery During CIRP	12.12	-
Rent income	-	8.14
Total	15.85	46.03

25 Cost Of Materials Consumed

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Raw Materials and Components		
Opening Stock	-	691.02
Purchases	-	7,165.80
Less: Closing Stock (prior to dimution as per report of valuer appointed under CIRP process)	-	2,039.20
Total	-	5,817.62

*In the absence of relevant records relating to description of raw material and cost of materials consumed, the breakup of description of prime components of the raw material consumed has not been given.

26 Changes in inventories of finished goods and work-in-progress

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Opening Stock :-		
Work-in-progress	-	-
Finished goods	-	8,809.56
Total	-	8,809.56
Closing Stock :-		
Work-in-progress	-	-
Finished goods (prior to dimution as per report of valuer appointed under CIRP process)	-	7,905.49
Total	-	7,905.49
Changes in inventories	-	904.07



27 Employee Benefits Expense

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Salaries, wages and incentives	0.98	735.16
Contributions to provident and other fund	-	16.56
Contributions to gratuity fund	-	-
Staff welfare expenses	-	34.65
Total	0.98	786.37

28 Finance Cost

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Interest expense	732.56	1,907.10
Other borrowing costs	1.72	33.31
Total	734.28	1,940.41

29 Depreciation and Amortization expense

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Depreciation and amortisation	204.87	251.58
Total		251.58

30 Other Expenses

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Consumption of stores, spares and consumables	-	17.90
Power and Fuel	-	57.17
Rent	-	307.19
Rates and taxes	-	-
Insurance	-	29.17
Freight and Forwarding	-	94.94
Repairs & Maintenance:	-	-
Repairs & Maintenance- Machinery	-	3.58
Repairs & Maintenance- Building	-	3.01
Repairs & Maintenance- Others	-	22.96
Job charges	-	31.40
Contract Labour charges	-	219.89
Travelling & Conveyance	-	92.26
Commission & Brokerage	-	63.80
Advertisement & Sales Promotion Expenses	-	266.13
Communication Expenses	-	19.00
Postage, Printing, & Stationery	-	19.30
House Keeping & Security Charges	1.37	59.60
Loss on sale/discarding of Property, Plant and Equipment	-	-
Legal & Professional Expenses	-	178.69
Payment to auditors	-	-
- Statutory Audit	9.90	6.50
Net Loss of Foreign Currency Translation	-	23.31
Charity and donations	-	10.00
Miscellaneous Expenses	0.11	266.21
Balance written off	-	67.96
CIRP Expenses	136.92	-
Total	148.31	1,859.97



31 Exceptional Items

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Provision for expected credit losses	-	21,225.97
Provision for impairment losses on investment in subsidiaries	-	802.20
Input credit written off	-	517.70
Provision for impairment losses on advances	-	7,213.57
Provision for diminution of inventories	-	8,839.82
	-	30,399.26

OTHER DISCLOSURES

32 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Net Profit as per Profit & Loss Account (Amt. ' in lakhs)	(1,071.50)	(49,414.74)
Weighted average number of equity shares outstanding	252.11	252.11
Basic EPS (₹)	(4.25)	(196.00)
Add: Weighted average number of potential equity shares on account of merger	-	-
Add: Weighted average number of potential equity shares on account of Share warrants	-	-
Weighted average number of Equity shares (including dilutive shares) outstanding	252.11	252.11
Diluted EPS (₹)	(4.25)	(196.00)

33 DISCLOSURE UNDER IND AS -17 "LEASES":

The company has taken on lease retail stores, factories, storage spaces etc at various locations under operating lease arrangements that are renewable on a periodic basis at the option of both the lessor and the lessee. The rent is subject to increase as per the prevalent market rates and agreement.

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Rent paid during the year and recognised in Statement of Profit and Loss		307.19

34 EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Earnings		
Export Sales		243.37
Expenditure		
In the absence of the relevant documents, we are unable to report the same		-



35 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
I. Claims against the company not acknowledged as debt*		
II. Guarantees excluding financial guarantees		
Guarantee to subsidiary- M/s AIFL E-Commerce Private Limited		500.00
III. Other money for which the company is contingently liable		
Income tax demands (AY 2008-09 to AY 2017-18)		-

* The above contingencies have been reported only to the extent of information available. The details of other legal claims against the company and other contingencies, if any, are not accessible/available and hence the same along with the quantification could not be ascertained/reported in accordance with IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

36 RELATED PARTY DISCLOSURES

(A) Related parties and transactions with them as identified by the management are given below:

(a) Subsidiaries

M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary
M/s AIFL Vastram Private Limited- Subsidiary

(b) Key Managerial Personnel (KMP)

Mr. Harshad Thakkar, Managing Director
Mr. Dinesh Sodha, Executive Director
Mr. Hitesh Punjani, Executive Director
Mrs. Harshaben H. Thakkar, Mother of Mr Harshad Thakkar

(B) Transactions with Related Parties for the year:

Particulars	As at 31st March, 2020	Year Ended 31st Mar, 2019
Rent Paid		
Mr. Harshad Thakkar	-	14.14
Mr. Dinesh Sodha	-	-
Rent Received		
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	2.12
Remuneration		
Mr. Harshad Thakkar	-	42.00
Mr. Dinesh Sodha	-	36.00
Mr. Hitesh Punjani	-	12.00
Loan given by company		
Mr. Harshad Thakkar	-	856.01
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary	-	883.19
M/s AIFL Vastram Private Limited- Subsidiary	-	1.02
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	286.18



<u>Loan repaid to company</u>		
Mr. Harshad Thakkar	-	644.01
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary	-	2.13
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	286.18
<u>Loan received by company</u>		
Mr. Dinesh Sodha	-	1,733.04
Mr Hitesh Punjani	-	7.04
Mr. Harshad Thakkar	-	6,319.03
<u>Loan repaid by company</u>		
Mr. Dinesh Sodha	-	1,584.67
Mrs. Harshaben H. Thakkar	-	1.47
Mr Hitesh Punjani	-	643.01
Mr. Harshad Thakkar	-	6,347.39
<u>Investment made</u>		
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	401.00
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary	-	401.00
M/s AIFL Vastram Private Limited- Subsidiary	-	0.20
<u>Sale of Products (including GST)</u>		
Mr. Harshad Thakkar	-	0.33
Mr. Dinesh Sodha	-	1.23
Mr. Hitesh Punjani	-	1.36
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	736.04
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary	-	1,174.73
<u>Guarantees given</u>		
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	500.00
(B) Outstanding balances as at the end of the year:		
<u>Borrowings</u>		
Mr. Dinesh Sodha	-	153.98
Mr. Hitesh Punjani	-	618.89
Mr. Harshad Thakkar	-	-
Mrs. Harshaben H. Thakkar	-	2.52
<u>Trade Receivable</u>		
Mr. Hitesh Punjani	-	0.50
Mr. Dinesh Sodha	-	0.73
Mr. Harshad Thakkar	-	0.33
M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary	-	142.81
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary	-	185.60



Remuneration payable

Mr. Hitesh Punjani
Mr. Dinesh Sodha
Mr. Harshad Thakkar

-
4.48
497.32

Exces Remuneration receivable

Mr. Hitesh Punjani

-
0.97

Loan receivable

Mr. Harshad Thakkar
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary
M/s AIFL Vastram Private Limited- Subsidiary

-
212.00
881.05
1.02

Other payables

Mr. Harshad Thakkar

-
1.34

Investment made

M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary
M/s AIFL Retails Private Limited- Wholly Owned Subsidiary
M/s AIFL Vastram Private Limited- Subsidiary

-
401.00
401.00
0.20

Rent receivable

M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary

-
2.28

Guarantee given

M/s AIFL E-Commerce Private Limited- Wholly Owned Subsidiary

-
500.00

Rent payable

Mr. Harshad Thakkar

-
13.62

Note: The related party disclosure is as per IND AS 24 "Related Party Disclosures" is Nil as the Company was not in operation in FY 2019-20

37 SEGMENT INFORMATION

The Company was primarily engaged in the business of manufacturing/trading of textile garments. Accordingly, the entire operations of the Company are governed by the same set of risk and rewards and thus, it was operating in a single primary segment. The Company is mainly operating in India which is considered to be the only reportable geographical segment. The disclosures as per the Indian Accounting Standards (AS) 108 on Segment Reporting are not applicable to the Company.

38 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013:**I. Particulars of Loans given are as under:**

Particulars	As at	As at
	31st March, 2020	31st Mar, 2019
M/s AIFL Retails Private Limited	-	881.05
M/s AIFL Vastram Private Limited	-	1.02
Mr. Harshad Thakkar	-	212.00
	-	1,094.07

All these loans were written off in FY 2018-19 and so Nil as at 31.03.2020

- II. Particulars of investment made are given in Note no. 3
 III. The company has not given any guarantee or security in connection with a loan to any other body corporate or person other than those mentioned in Note 37
 IV. Employee Loans given as per Company's policy have not been considered for the above disclosure.



39 FINANCIAL INSTRUMENTS

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note A (k) for accounting policy.

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

Particulars	As at 31st Mar, 2020 Fair Value	As at 31st March, 2020 Carrying Value	As at 31st Mar, 2019 Carrying Value
FINANCIAL ASSETS			
At FVTPL			
(i) Other financial assets	-	-	-
At Amortised Cost			
(i) Trade receivables	-	-	-
(ii) Loans	-	-	-
(iii) Cash and cash equivalents	35.49	35.49	201.62
(iv) Bank balances other than cash and cash equivalents	8.39	8.39	8.42
(v) Other financial assets	-	-	-
Total Financial Assets	43.88	43.88	210.04
FINANCIAL LIABILITIES			
At amortised cost			
(i) Borrowings	18,485.08	18,485.08	18,125.71
(ii) Trade payables	4,495.97	4,495.97	4,493.23
(iii) Other financial liabilities	5,950.24	5,950.24	5,876.10
Total Financial Liabilities	28,931.29	28,931.29	28,495.03

*The Management assessed that fair value of cash and cash equivalents, trade receivables, term deposits with banks, loans, other financial assets, trade payables, and other financial liability is considered to be equal to the carrying amount of these items due to their short-term nature. The provision for expected credit losses and/or impairment has been considered by management wherever required.

**There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

39 TAX EXPENSE

a. Tax expense recognised in the Statement of Profit and Loss

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Current tax		
Current year	-	-
Excess /Short provision relating to earlier year	-	-
Mat Credit Entitlement	-	206.99
Total current tax (A)	-	206.99
Deferred tax		
Relating to origination and reversal of temporary difference	-	-
Total deferred income tax expense/(credit) (B)	-	-
Total income tax expense/(credit) (A+B)	-	206.99



A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company

b. is as follows :

Reconciliation of effective tax rate

Particulars	As at 31st March, 2020	As at 31st Mar, 2019
Profit before tax	(1,071.50)	(49,161.71)
Enacted income tax rate in India	31.20%	31.20%
Expected income tax expense during the year at statutory rate	-	-
Differences due to:		
Expenses not deductible for tax purposes	-	32.14
Expenses allowable for tax purposes	-	-
Income exempt for normal tax purposes	-	-
Impact of Minimum alternate tax	-	-
Impact of Credit of Minimum alternate tax	-	206.99
Others	-	-
Effective tax expenses	-	239.13

c. The movement in deferred tax assets and liabilities during the year ended March 31, 2019 and March 31, 2020:

Deferred tax assets/(liabilities)	Credit/(charge) in Other Comprehensive Income March 31st 2018	Credit/(charge) in Other Comprehensive Income March 31st 2019
On depreciation	32.14	-
On other provisions	(14.12)	(14.12)
On fair valuation of financial assets	(0.04)	(0.04)
Total	17.98	(14.16)

Deferred tax assets/(liabilities)	Credit/(charge) in Other Comprehensive Income March 31st 2019	Credit/(charge) in Other Comprehensive Income March 31st 2020
On depreciation	-	-
On other provisions	(14.12)	-
On fair valuation of financial assets	(0.04)	-
Total	(14.16)	-

40 RISK MANAGEMENT

Due to extreme financial stress/financial mis-management/financial mis-appropriation by directors/officer of the company and in pursuance of the application filed by financial creditor for insolvency, Corporate Insolvency Resolution Process ("CIR Process") has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code) vide NCLT, Mumbai order dated June 28th, 2019.

Hence, the company has no risk management process in place as on the date of this financial statements

The following is the contractual maturities of the financial liabilities as on 31.03.2020:

Particulars	Carrying Amount	Payable on demand	0-1 year
Non Current Borrowings(Including current maturities)	4,861.30	-	4,861.30
Current Borrowings	18,485.08	18,485.08	-
Trade payables	4,495.97	-	4,495.97
Other financial liabilities	5,950.24	-	5,950.24
Total	33,792.59	18,485.08	15,307.51



- (x). The company had received share application money in FY 2017-18 of INR 270 Lakh which is still pending for allotment as on 31.03.2020 and it falls under the definition of deposits as per rule 2(c) to Chapter V of the Companies Act 2013 and is in contravention of Sec 73 of the Companies Act 2013
- (xi). In the absence of convincing evidence to the effect that the company would pay tax above MAT in future years, MAT Credit of INR 206.99 lakhs as on 31.03.2018 has been fully written off.
- (xii). The Income Tax Return and Tax Audit report for FY 2018-19 (AY:19-20) has been filed
- (xiii). The previous year figures have been regrouped wherever necessary



Disclaimer Report

To the members Ashapura Intimates Fashion Limited.

I, the undersigned have been appointed as Liquidator in terms of the Orders of Hon'ble National Company Law Tribunal dated 04th October, 2020 vide C.P 4488 (IB) /MB/2018 and subsequently under the provision of section 34 of Insolvency and Bankruptcy Code 2016, as Liquidator of Ashapura Intimates Fashion Limited.

The financial statements of the company for the year ended 31st March 2020 have been taken on record by me while discharging the powers of the erstwhile Board of Directors of the company which were conferred upon me in accordance of NCLT order dated 04th October, 2020 to run the company as a going concern during Liquidation. Hence, the financial statements for the year ended 31st March 2020 have been prepared on going concern assumptions. My team and I have not been able to analyse the accuracy, validity, completeness or authenticity of the information and figures mentioned in financial statement as we have assumed charge of the company's affairs on or after 04-October-2020

I have signed the company's financial statements for the year ended 31st-Mar-2020 solely for the purpose of compliance and discharging my duties during Liquidation Process of the company, in accordance with the provisions of IBC, read with regulations and rules thereunder, and based on the explanation, clarifications, certifications, representations and statements made by the authorised staff and representatives of the company. My team and I believe that these figures may be interpreted solely for the purpose of satisfying the regulatory requirement and these figures may undergo changes during CIRP process or thereafter.

The Auditors qualification, observation and matter emphasised in audit report of previous periods may continue to be relevant in the year ending 31-March-2020. My team and I are not in a position to express any opinion in this regard.

The financial statement for the year ended 31-Mar-20 read with the disclosures/disclaimers stated above and have been subject to audit by Statutory Auditors of the company for the year ended 31-Mar-20. The Auditors have issued a Disclaimer report in respect of such financial statement for the year ended 31-Mar-20

For Ashapura Intimates Fashion Limited



Bhavesh Rathod

Liquidator,
In Matter of Ashapura Intimates Fashion Limited
IBBI/IPA-001/IP-P01200/2018-19/11910
Email: liquidation.ashapura@gmail.com
Bhavesh76@gmail.com



ASHAPURA INTIMATES FASHION LIMITED
Notes of the Financial Statements for the year ended 31st Mar, 2020
Amount in Rupees Lakh unless otherwise stated

1. SIGNIFICANT ACCOUNTING POLICIES

1A. Corporate Overview:

Ashapura Intimates Fashion Limited ("the Company") is a public Company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. Trading on these stock exchanges have been suspended as on date of approval of financials due to non-compliance of requirements of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015)

The registered office of the Company is located at Shop No. 3-4, Ground Floor, Pacific Plaza, Plot No. 507, TPS IV, Off B. S. Road, Mahim Division, Dadar West, Mumbai- 400028. The Company is engaged in the Designing, Manufacturing, Branding, Marketing, Exporting & Retailing of all kinds of Intimate wears.

Corporate Insolvency Resolution Process ("CIR Process") has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stands vested with the Interim Resolution Professional ("IRP") appointed by the NCLT. The 'Corporate Insolvency Resolution Process' (CIRP) was initiated, on a petition filed by IDFC First Bank Limited, against the Ashapura Intimates Fashion Limited, which was admitted vide an Order of the National Company Law Tribunal (NCLT), Mumbai dated June 28th 2019 under the provision of the Insolvency and Bankruptcy Code 2016("Code / IBC").

That pursuant thereto, on 28.06.2019, Hon'ble NCLT appointed Mr. Kashyap Vaidya as Interim Resolution Professional (IRP) in terms of IBC, who was subsequently confirmed as Resolution Professional (RP) by Committee of Creditors (CoC), constituted under IBC. Mr. Kashyap Vaidya, in his capacity as RP, has taken control and custody of the management and operations of the Company with effect from 28th June 2019.

1B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements:

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other related provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company are prepared on the accrual basis of accounting and historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- (i) Certain financial assets and liabilities are measured at Fair value as per requirements of IND AS's
- (ii) Defined benefit employee plan

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Basis for Going Concern

As at March 31, 2020 the net-worth of the Company has been completely eroded. Also, IDFC First Bank Limited, a financial creditor has filed a petition for initiating Corporate

Insolvency Resolution Process (CIRP) on 29th November 2018 which was approved by Hon'ble NCLT vide order dated June 28th, 2019.

However, under section 20 of Insolvency Bankruptcy Code, 2016 (IBC), it is incumbent upon Resolution Professional to manage the operations of the Company as a going concern and the Standalone Financial Statements have been prepared ongoing concern basis.

b) Uses of Estimates and Judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical Accounting Judgements and Key Source of Estimation Uncertainty. The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on regular basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

i. Depreciation/Amortisation and Useful:

Property, plant and equipment are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and Liabilities:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts 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.

iii. Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv. Measurement of Defined Benefit Obligations:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis. The assumptions used in determining the net interest cost/(income) for defined benefit plans include the discount rate. Any

changes in these assumptions will impact the carrying amount of defined benefit obligations.

c) Property, Plant and Equipment:

All items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any, such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is charged to profit and loss account. If at the balance Sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

Depreciation / Amortisation Methods, Estimated Useful Lives and Residual Value

Depreciation is provided on a Diminishing Balance Method, over the estimated useful lives of assets. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful lives of assets are same as those prescribed in Schedule II of the Companies Act, 2013. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

d) Cash and Cash Equivalents:

Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less, including money market deposits, commercial paper and investments. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

e) Inventories:

Inventories of Raw Materials, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

f) Financial Instruments:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

g) Subsequent Measurement:

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both

- a. The entity's business model for managing the financial assets and
- b. The contractual cash flow characteristics of the financial asset.
 - (i) **Measured at Amortised Cost:** Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 - (ii) **Measured at Fair Value Through Other Comprehensive Income (FVTOCI):** Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.
 - (iii) **Measured at Fair Value Through Profit or Loss (FVTPL):** Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established."

Impairment: The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The impairment losses and reversals are recognised in Statement of Profit and Loss.

De-recognition: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities: Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of Financial Instruments: Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative Financial Instruments: Derivative financial instruments such as future contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

h) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

i) Provision and Contingent liabilities:

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

j) Revenue Recognition:

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition.

Sale of Goods:

Timing of recognition: Sales are recognised when substantial risk and rewards of ownership are transferred to customer. In case of domestic sales take place when goods are dispatched or delivery is handed over to customer's logistics. In case of export sales take place when goods are shipped on-board, based on bill of lading.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Dividend Income

Dividend income is recognised when the Company's right to receive the payment has been established.

k) Employee Benefits:

The Company provides following post-employment plans:

- i. Defined benefit plans such as gratuity
- ii. Defined contribution plans such as Provident fund

i. Defined-benefit Plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of the plan assets. The defined benefit obligations is calculated annually by actuaries using the projected unit credit method. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a. Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- b. Net interest expense or income: The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of the plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss. Re-measurement comprising of actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions, the effect of asset, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) ceiling are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

ii. Defined-contribution Plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund with the government. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers. The Company has no obligation, other than the contribution payable to the provident fund.

l) Foreign Currency Transaction:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss as other income / miscellaneous expenses.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

m) Income Tax:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred Income Tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither account ignore. Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

n) Segment Reporting:

The Company is primarily engaged in the business of manufacturing/trading of textile garments. Accordingly, the entire operations of the Company are governed by the same set of risk and rewards and thus, it operates in a single primary segment. The Company is mainly operating in India which is considered to be the only reportable geographical segment. The disclosures as per the Indian Accounting Standards (AS) 108 on Segment Reporting are not applicable to the Company.

o) Research & Development:

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

p) Earning per share:

Basic EPS is arrived at based on net profit or (loss) after taxation available to equity shareholders to the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.



VALENTINE

Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl.No.	Particulars	Audited Figures (In Lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	16.93	16.93
	2.	Total Expenditure	1,088.44	1,088.44
	3.	Net Profit/(Loss)	(1,071.50)	(1,071.50)
	4.	Earnings Per Share	(4.25)	(4.25)
	5.	Total Assets	4,441.14	4,441.14
	6.	Total Liabilities	32,966.30	32,927.43
	7.	Net Worth	(28,525.16)	(28,525.16)
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately): a. Details of Audit Qualification: Refer to the Audit Report b. Type of Audit Qualification : Disclaimer of Opinion c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing - Second Time.			

Ashapura Intimates Fashion Pvt. Ltd.

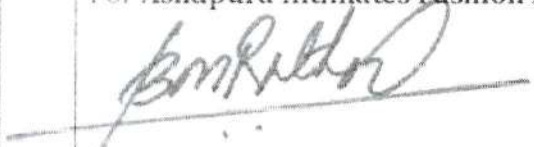
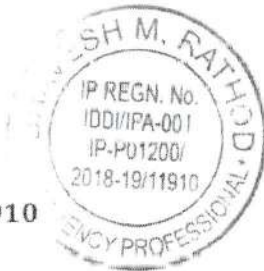
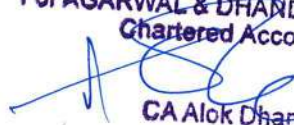
Reg. Off. Unit No. 2/3/4, Pooja Plaza, Masjid Galli, Near Tilak Bhavan, Dharu Road, Mumbai - 28. ☎ 022 3293143 📠 24331552/53
 info@ahsapurafashion.com | www.ahsapurafashion.com | www.valentinelingerie.com | www.valentinelingerie.com

CIN-L17299MH2006PLC163133





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	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Since the company is in Liquidation, refer to the Audit Report. e. For Audit Qualification(s) where the impact is not quantified by the auditor: Since the company is in Liquidation, refer to the Audit Report. (i) Management's estimation on the impact of audit qualification: (ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:
III.	Signatories: For Ashapura Intimates Fashion Limited (in Liquidation)  Bhavesh Rathod Liquidator IBBI/PA- 001/IPPO1200/2018-19/11910  Place : Date:
	Statutory Auditor: For AGARWAL & DHANDHANIA Chartered Accountants  CA Alok Dhandhania Partner M. No. 111062 FRN NO. 125756W Place : MUMBAI Date: 14/5/2021 