

# **K. KOTRESH & CO.,**

## **CHARTERED ACCOUNTANTS**

Partners:

**CA. Kotresh Kubsad** B.Com, FCA

**CA. Sunil Kumar Garg** B.Com., FCA

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### **INDEPENDENT AUDITORS' REPORT**

**To the Members of Prestige Fashions Private Limited**

**Report on the Audit of the Financial Statements**

#### **1. Opinion**

We have audited the accompanying financial statements of **Prestige Fashions Private Limited** ("the Company"), which comprises the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Cash Flow Statement for year then ended, and notes to the financial statements including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by The Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2021, its loss, and its cash flows for the year ended on that date.

#### **2. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **3. Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of The Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **4. Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **5. Report on Other Legal and Regulatory Requirements**

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure –"A" a statement on the matters specified in Paragraph 3 and 4 of the Order to the extent applicable.

II. As required by section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the balance sheet, the statement of profit and loss and the statement of cash flow dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid financials comply with the Accounting Standards specified under Section 133 of the Act;
- e. on the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect of adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-"B"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirement of sub section (16) of section 197 of the Act, as amended:  
  
the company being a private limited company, reporting under sub section (16) of section 197 of the Act, is not applicable to the company.
- 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 got no pending litigation either during the course of the year or as at the year-end;

- ii. the company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For K. Kotresh and Co.**  
Chartered Accountants  
Firm's Registration No. 001426s

**Sunil Kumar**  
**Garg**

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Sunil Kumar Garg  
Date: 2021.09.16  
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**CA. Sunil Kumar Garg**  
Partner  
Membership No 052589  
UDIN: 21052589AAAABH4851

Place: Bengaluru  
Date: 16-Sept-2021

## ANNEXURE-“A” TO THE INDEPENDENT AUDITORS’ REPORT

### Referred to in paragraph 5(I) of our report of even date

1. a) The company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets.
  - b) According to the information and explanations given to us, the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies between the books records and the physical fixed assets have been noticed.
  - c) The company does not have any immovable properties, hence paragraph 3(i)(c) of CARO is not applicable to the company.
2. The inventories have been physically verified by the management (except the goods in transit) at reasonable intervals during the year which in our opinion frequency of such verification is reasonable and also as explained to us, no material discrepancies were noticed on such physical verification.
3. The company has not given any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of CARO are not applicable to the Company.
4. The company has not given any loans and guarantees or made any investments to which the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iv) of CARO are not applicable to the Company.
5. The company has not accepted any deposits to which the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under and the directions issued by the RBI are applicable. Hence paragraph 3(v) of CARO is not applicable to the company.
6. According to the information and explanations given to us, during the year, the company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013. Hence paragraph 3(vi) of CARO is not applicable to the company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, goods and service tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of custom duty and excise duty.

According to the information and explanations given to us, no undisputed amounts payable, in respect of provident fund, income tax, sales tax, service tax, goods and service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no material dues of service tax, goods and service tax, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks and Government and dues to debenture holders.
9. The company has not raised any monies by way of public issue / further public offer (including debt instruments) and term loans. Hence paragraph 3(ix) of CARO is not applicable to the company.
10. According to the information and explanation given to us by the management, we report that no fraud by the company or any fraud on the company by its officers / employees has been noticed or reported during the year.
11. The company is a private limited company which is not covered under the provisions of section 197 of the Companies Act, 2013; hence paragraph 3(xi) of CARO is not applicable to the company.
12. The company is not a Nidhi company; hence paragraph 3(xii) of CARO is not applicable to the company.
13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act (where applicable) and the details thereof is have been disclosed in the financial statements etc. as required by the applicable Accounting Standard.
14. The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review. Hence paragraph 3(xiv) of CARO is not applicable to the company.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons concerned with him. Hence paragraph 3(xv) of CARO is not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence paragraph 3(xvi) of CARO is not applicable to the company.

**For K. Kotresh and Co.**  
Chartered Accountants  
Firm's Registration No. 001426s  
**Sunil**  
**Kumar Garg**  
CA. **Sunil Kumar Garg**  
Partner  
Membership No 052589  
UDIN: 21052589AAAABH4851

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Sunil Kumar Garg  
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Place: Bengaluru  
Date: 16-Sept-2021

## **ANNEXURE-“B” TO THE INDEPENDENT AUDITORS’ REPORT**

**Referred to in paragraph 5(II)(f) of our report of even date**

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Section 143(3) of the Companies Act, 2013 (“The Act”)**

We have audited the internal financial controls over financial reporting of Prestige Fashions Private Limited (“the Company”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of financial statements of the company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in 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 timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India (the “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. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting include 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 on Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the ICAI".

**For K. Kotresh and Co.**

Chartered Accountants

Firm's Registration No. 001426s

**Sunil**

**Kumar Garg**

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Sunil Kumar Garg

Date: 2021.09.16

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**CA. Sunil Kumar Garg**

Partner

Membership No 052589

UDIN: 21052589AAAABH4851

Place: Bengaluru

Date: 16-Sept-2021

**Prestige Fashions Private Limited**

Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025

CIN : U85110KA1996PTC020005

**Balance Sheet As At 31st March 2021**

Particulars	Note No.	As at 31-Mar-2021 Rs.	As at 31-Mar-2020 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
Share Capital	2	75,00,000	75,00,000
Reserves & Surplus	3	17,62,61,853	20,95,67,780
<b>(2) Non-Current Liabilities</b>			
Other Long term liabilities	4	35,64,000	62,64,000
Long term provisions	5	11,64,330	20,89,875
<b>(3) Current Liabilities</b>			
Trade Payables	6		
(a) total outstanding dues of micro enterprises and small enterprises ; and		-	1,77,918
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,28,93,116	5,84,10,645
Other current liabilities	7	1,15,55,376	6,78,05,932
<b>Total</b>		<b>23,29,38,675</b>	<b>35,18,16,150</b>
<b>II.ASSETS</b>			
<b>(1) Non-current assets</b>			
Property Plant and Equipment			
- Tangible assets	8	5,12,75,209	6,79,68,917
Deferred tax assets (net)	9	2,76,36,631	1,67,76,001
Long-term loans and advances	10	2,54,05,028	4,03,75,227
<b>(2) Current assets</b>			
Inventories	11	7,51,97,261	10,89,39,245
Trade receivables	12	1,16,81,082	1,12,54,855
Cash and cash equivalents	13	1,32,01,869	6,65,08,738
Short-term loans and advances	14	2,85,41,595	3,99,93,167
<b>Total</b>		<b>23,29,38,675</b>	<b>35,18,16,150</b>

Significant Accounting Policies

1

The accompanying notes from 1 to 28 are integral part of the Financial Statements

In terms of our report attached.

**For K. KOTRESH & CO.,**

Chartered Accountants

Firm Regn No.001426s

**Sunil**

**Kumar**

**Garg**

**CA. Sunil Kumar Garg**

Partner

Membership No. 052589

UDIN : 21052589AAAABH4851

Place: Bengaluru

Date: 16-Sept-2021

Digitally signed  
by Sunil Kumar  
Garg  
Date: 2021.09.16  
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**For and on behalf of the Board of Directors**

**Noaman  
Razack**

**Noaman Razack**

Director

DIN : 00189329

Digitally signed  
by Noaman  
Razack  
Date: 2021.09.16  
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**IRFAN  
RAZACK**

**Irfan Razack**

Director

DIN: 00209022

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by IRFAN  
RAZACK  
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**Prestige Fashions Private Limited**

Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
CIN : U85110KA1996PTC020005

**Statement of Profit and Loss for the year ended 31st March 2021**

Particulars	Note No.	Year Ended 31-Mar-2021 Rs.	Year Ended 31-Mar-2020 Rs.
I. Revenue From Operations	19	11,78,16,160	24,21,58,568
II. Other Income	20	3,85,33,294	8,61,87,612
<b>III. Total Income (I+II)</b>		<b>15,63,49,454</b>	<b>32,83,46,180</b>
<b>IV. EXPENSES</b>			
Purchase of Stock-in-Trade	21	3,61,26,704	13,51,61,005
Changes in inventories of Stock-in-Trade	22	3,37,41,984	(57,08,399)
Employee Benefit Expense	23	2,76,42,370	3,68,67,551
Financial Costs	24	2,77,813	4,48,365
Depreciation and Ammortization expense	8	1,67,51,946	1,90,89,342
Other Expenses	25	8,60,01,212	14,22,91,023
<b>Total Expenses:</b>		<b>20,05,42,029</b>	<b>32,81,48,888</b>
V. Profit (Loss) before tax (III - IV)		<b>(4,41,92,575)</b>	<b>1,97,293</b>
VI. Tax expense:			
(1) Current tax		-	20,25,052
(2) Tax provision on earlier year		(26,018)	-
(3) Deferred tax		(1,08,60,630)	(10,75,979)
		<b>(1,08,86,648)</b>	<b>9,49,072</b>
VII. Profit/(loss) for the year (V-VI) :		<b>(3,33,05,927)</b>	<b>(7,51,780)</b>
VIII. Earning per equity share of Rs.10 each	26		
Basic		(44)	(1)
Diluted		(44)	(1)

Significant Accounting Policies

1

The accompanying notes from 1 to 28 are integral part of the Financial Statements

In terms of our report attached.

**For K. KOTRESH & CO.,**

Chartered Accountants

Firm Regn No.001426s

**Sunil Kumar Garg**  
Digitally signed by Sunil Kumar Garg  
Date: 2021.09.16 18:45:18 +05'30'

**CA. Sunil Kumar Garg**

Partner

Membership No. 052589

UDIN : 21052589AAAABH4851

Place: Bengaluru

Date: 16-Sept-2021

**For and on behalf of the Board of Directors**

**Noaman Razack**  
Digitally signed by Noaman Razack  
Date: 2021.09.16 18:35:01 +05'30'

**Noaman Razack**

Director

DIN : 00189329

**IRFAN RAZACK**  
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Date: 2021.09.16 18:37:28 +05'30'

**Irfan Razack**

Director

DIN: 00209022

**Cash Flow Statement**

Particulars	Year Ended 31-Mar-2021		Year Ended 31-Mar-2020	
	Rs.	Rs.	Rs.	Rs.
<b>1. Cash flow from Operations</b>				
Net profit before taxation		(4,41,92,575)		1,97,293
<u>Adjustments for non cash &amp; non operating items:</u>				
Depreciation	1,67,51,946		1,90,89,342	
Asset discarded	-		12,64,276	
Interest income	(10,905)		(39,08,472)	
		<b>1,67,41,041</b>		<b>1,64,45,146</b>
<b>Operating profit before working capital changes</b>		<b>(2,74,51,534)</b>		<b>1,66,42,439</b>
(Increase)/Decrease in Sundry Debtors	(4,26,228)		1,51,81,802	
(Increase)/Decrease in Inventories	3,37,41,984		(57,08,399)	
(Increase)/Decrease in Short term Loans & advances	1,14,77,590		(8,68,56,386)	
(Increase)/Decrease in Long term Loans & advances	1,49,70,199		(1,47,79,100)	
Increase/(Decrease) in Current liabilities	(8,19,46,002)		8,31,04,511	
Increase/(Decrease) in Non Current liabilities	(36,25,545)		2,09,806	
		<b>(2,58,08,002)</b>		<b>(88,47,766)</b>
<b>Cash generated from operations</b>		<b>(5,32,59,536)</b>		<b>77,94,673</b>
Less: Income Tax	-		20,25,052	
		-		20,25,052
<b>Cash flow before extraordinary item</b>		<b>(5,32,59,536)</b>		<b>57,69,621</b>
<b>Cash From Extraordinary Items</b>				
	-	-	-	-
<b>Net cash (used in) / from operating activities</b>		<b>(5,32,59,536)</b>		<b>57,69,621</b>
<b>2. Cash flows from investing activities</b>				
Purchase of fixed assets	(58,238)		(2,73,42,074)	
Proceeds from fixed assets	-		20,00,000	
Proceeds from Investments	-		4,40,83,476	
Dividend payable	-		(2,89,33,271)	
Interest received	10,905		39,08,472	
<b>Net cash (used in)/ from investing activities</b>		<b>(47,333)</b>		<b>(62,83,397)</b>
<b>3. Cash flows from financing activities</b>				
<b>Net cash (used in)/ from financing activities</b>				
Net increase in cash and cash equivalents		<b>(5,33,06,869)</b>		<b>(5,13,776)</b>
Cash and cash equivalents - Opening Balance		6,65,08,738		6,70,22,514
<b>Cash and cash equivalents - Closing Balance</b>		<b>1,32,01,869</b>		<b>6,65,08,738</b>

(1) The cash flow statement is prepared using the "indirect method" set out in Accounting Standard 3 "Cash Flow Statements" and presents the cash flow by operating, investing and financing activities of the company.

(2) Cash and cash equivalent presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances

In terms of our report attached.

**For K. KOTRESH & CO.,**

Chartered Accountants

Firm Regn No.001426s

**Sunil**

**Kumar**

**Garg**

**CA. Sunil Kumar Garg**

Partner

Membership No. 052589

UDIN : 21052589AAAAAH4851

Place: Bengaluru

Date: 16-Sept-2021

**For and on behalf of the Board of Directors**

**Noaman  
Razack**

Digitally signed  
by Noaman  
Razack  
Date: 2021.09.16  
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**Noaman Razack**

Director

DIN: 00189329

**IRFAN  
RAZACK**

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**Irfan Razack**

Director

DIN: 00209022

Notes Forming Part of the Financial Statements

**Note No.1: Significant Accounting Policies**

**1.1 Basis for preparation of financial statements**

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (GAAP), Accounting Standards as prescribed u/s 133 of the Companies Act 2013 ("The Act") read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act as applicable.

The Financial Statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**1.2. Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expense, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, the effects are disclosed in the financial statements.

**1.3 Property Plant & Equipments:**

Property Plant & Equipments are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of Property Plant & Equipments comprises their purchase price and all direct and indirect costs incurred in bringing the assets to their working condition for their intended use. Certain items of Property Plant & Equipments are classified on the basis of their usage.

**1.4 Intangible assets:**

Intangible assets are recognized if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably in accordance with Accounting Standard - 26, on 'Intangible' issued by the Institute of Chartered Accountants of India. These are carried at cost less accumulated depreciation / amortization and accumulated impairment losses, if any.

Notes Forming Part of the Financial Statements

**1.5 Capital work in progress (CWIP)**

Capital Work in Progress comprises of the cost of assets that are not yet ready for their intended use at the reporting date. Cost of material consumed, erection charges thereon along with other related expenses incurred for the assets are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset. Any other expenditure which is not directly or indirectly attributable to the construction of the fixed asset is charged off to statement of profit and loss in the period in which they are incurred.

**1.6 Depreciation on Property Plant & Equipments**

Depreciation on Property Plant & Equipments is calculated on the written down value (WDV) method over the useful life period and in the manner as prescribed in schedule II to the Companies Act, 2013. Depreciation on assets acquired/disposed off during the year is provided from / up to the dates on which such assets have been acquired / disposed off. Individual assets costing less than Rs. 5,000/- are depreciated in full in the year of acquisition.

**1.7 Impairment of tangible and intangible assets**

An asset is considered as impaired in accordance with Accounting Standard-28 on "Impairment of Assets," when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of recoverable amount. In case of disposal of assets the accumulated impairment loss for the asset is written off and adjusted with profit or loss on sale of asset.

**1.8 Investments**

Investments are classified as Current or Non-Current in accordance with Accounting Standard (AS) - 13 on "Accounting for Investments". Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost. In case, there is a decline other than temporary in the value of any Investments, a provision for the same is made.

Notes Forming Part of the Financial Statements

### **1.9 Inventories**

Inventories are valued at lower of the cost or net realizable value. The cost comprises purchase price, cost of conversion and all other costs incurred in bringing inventories to their present location and condition. Cost of inventories is at landed cost and ascertained on specific identification method. Closing stock is on the basis of physical verification carried out by the management at the end of the year and as certified by the management. Cost is determined on specific identification method.

### **1.10 Cash flow statement**

The cash flow statement is prepared by the “Indirect Method” set out in Accounting Standard (AS)-3 on “Cash Flow Statements” and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash in hand and demand deposits with banks.

### **1.11 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer, which generally coincides with sale & dispatch of goods from the shops. Turnover Bonus from principal suppliers is accounted on establishing the right of entitlement as determined by the principals. Sales are recognized net of trade discounts, sales returns and exclude VAT / GST. Excise duty is not applicable to the company’s products.

Income from Services rendered is recognized based on agreements/arrangements with the concerned parties. Rental income including incidental charges recoverable from the tenants is accounted for as per the terms and conditions of the rental agreements entered into with the respective tenants.

### **1.12 Reward points**

Reward points earned by an eligible customer(s) as per the company’s scheme are credited in their account according to the stipulated criteria under the scheme which is in force at that point of time. The accumulated points in such customer(s) accounts are redeemable by them at the time of subsequent purchases made by them during the time of validity of the scheme.

At the year-end, the company works out its liability in respect of unexpired valid reward points which are lying credited in customers’ accounts as per the terms of the aforesaid scheme and recognize the same in its books of accounts.

Notes Forming Part of the Financial Statements

### **1.13 Employee benefits**

#### **Short term employee benefits**

Employee benefits such as salaries, allowances and non-monetary benefits, which falls due for payment within a period of twelve months of rendering the service are classified as short term employee benefits, and charged as expense in the statement of profit and loss in the period in which the service is rendered by the employees.

#### **Post-employment benefits**

##### **(i) Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which the company pays specified amount to a separate entity. The company makes specified monthly contributions towards provident fund, pension fund and employee's state insurance scheme. The provident fund contributions are made to a Recognized Provident Fund under the Employees Provident Fund and Miscellaneous Provision Act, 1952. The company's contribution is recognized as an expense in the statement of profit and loss and charged on accrual basis during the period in which the employee renders the related service. The company has no further obligations for future provident fund benefits other than its annual contributions.

##### **(ii) Defined benefit plans:**

Gratuity liability under Payment of Gratuity Act, 1972 is a defined benefit obligation and is measured by using the projected unit credit method on the basis of actuarial valuation carried out by third party actuaries at each balance sheet date. The company's obligations recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the statement of profit and loss and are not deferred.

### **1.14 Operating lease**

Operating lease receipts and payments are recognized as income or expense in the statement of profit and loss on a straight-line basis over the lease term and other considerations.

### **1.15 Earnings per share**

The Company reports basic and diluted Earnings per share (EPS) in accordance with Accounting Standard-20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average

Notes Forming Part of the Financial Statements

number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

#### **1.16 Taxes on Income**

Income Tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income and are capable of reversal in one or more subsequent periods).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized and only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on net basis.

#### **1.17 Provisions and Contingent liabilities**

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosures for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in relation to which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Notes Forming Part of the Financial Statements**

Note No.	Particulars	As at 31-Mar-2021 Rs.	As at 31-Mar-2020 Rs.
<b>2</b>	<b>Share Capital</b>		
	<b>A) AUTHORISED :</b>		
	10,00,000 (Previous Year 10,00,000) Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
	<b>Total:</b>	<u>1,00,00,000</u>	<u>1,00,00,000</u>
	<b>B) ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
	7,50,000 (Previous Year 7,50,000) Fully Paid up Equity Shares of Rs. 10/- each	75,00,000	75,00,000
	<b>Total:</b>	<u>75,00,000</u>	<u>75,00,000</u>
	<b>C) Details in respect of the Shareholders who are holding more than 5% shares</b>		
	<b>Name of Shareholder</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
	<b>Equity Shares:</b>	<b>No. of Shares</b>	<b>%</b>
	Irfan Razack	1,33,950	17.86
	Rezwan Razack	1,33,950	17.86
	Noaman Razack	1,33,900	17.85
	Badrunissa Irfan	1,12,500	15.00
	Almas Rezwan	1,12,500	15.00
	Sameera Noaman	1,12,500	15.00
	<b>D) Reconciliation of Number of Shares Outstanding at the Beginning and End of the Year :</b>		
	<b>Equity:</b>		
	Outstanding at the beginning of the year	7,50,000	7,50,000
	Add: Issued during the year	-	-
	Outstanding at the end of the year	<u>7,50,000</u>	<u>7,50,000</u>
	<b>E) Rights, Preferences and Restrictions Attached to Equity Shares</b>		
	The company has single class of equity shares. Each shareholder is eligible for one vote per share held in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.		
<b>3</b>	<b>Reserves &amp; Surplus</b>		
	<b>(a) General Reserve</b>		
	As per last Balance Sheet	64,91,814	64,91,814
	Add: Transferred from Statement of Profit & Loss	-	-
	<b>A</b>	<u>64,91,814</u>	<u>64,91,814</u>
	<b>(b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
	As per last Balance Sheet	20,30,75,966	23,27,61,017
	Dividend paid	-	(2,40,00,000)
	Dividend Distribution Tax	-	(49,33,271)
	Add: Profit / (Loss) during the year	(3,33,05,927)	(7,51,780)
	<b>B</b>	<u>16,97,70,039</u>	<u>20,30,75,966</u>
	<b>Total: (A + B)</b>	<u>17,62,61,853</u>	<u>20,95,67,780</u>
<b>4</b>	<b>Other Long term liabilities</b>		
	Security Deposits	35,64,000	62,64,000
	<b>Total:</b>	<u>35,64,000</u>	<u>62,64,000</u>

**Notes Forming Part of the Financial Statements**

Note No.	Particulars	As at 31-Mar-2021 Rs.	As at 31-Mar-2020 Rs.
5	<b>Long term provisions</b>		
	Provision For Gratuity	11,64,330	20,89,875
	<b>Total:</b>	<b>11,64,330</b>	<b>20,89,875</b>

The company has ascertained the Long term liability in respect of Gratuity of its employees on the basis of actuarial valuation done by an Independent actuary as on 31-Mar-2021 and has provided a sum of Rs. 11,64,330/- on this account (As at 31-Mar-2020 Rs. 20,89,875/-).

**Notes:**

**Employees Benefits are categorised into Defined Contribution Plans which includes:**

**Gratuity**

**a) Liability recognized in the Balance Sheet**

Present Value of obligation		
Opening Balance	20,89,875	5,80,069
Paid during the year	(9,00,000)	(10,00,000)
Service Cost	(25,545)	25,09,806
Closing Balance	<b>11,64,330</b>	<b>20,89,875</b>

**b) Expense during the year**

Service Cost-Profit and Loss	(25,545)	25,09,806
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**6 Trade Payables**

Sundry Creditors

Total outstanding dues of micro, small and medium enterprises	-	1,77,918
Total outstanding dues of other than micro, small and medium enterprises	3,28,93,116	5,84,10,645
<b>Total:</b>	<b>3,28,93,116</b>	<b>5,85,88,563</b>

**Notes:**

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
(1) Principal amount due and remaining unpaid	-	1,77,918
(2) Interest due on (1) above and the unpaid interest	-	-
(3) Interest paid on all delayed payments under the MSMED Act	-	-
(4) Payment made beyond the appointed day during the year	-	-
(5) Interest due and payable for the period of delay other than (3) above	-	-
(6) Interest accrued and remaining unpaid	-	-
(7) Amounts of further interest remaining due and payable in succeeding years	-	-

**7 Other current liabilities**

Statutory dues	8,41,028	26,43,087
Advance from customers	5,07,042	1,91,717
Other liabilities	1,02,07,306	6,49,71,128
<b>Total:</b>	<b>1,15,55,376</b>	<b>6,78,05,932</b>

**Prestige Fashions Private Limited**

Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025

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**Notes Forming Part of the Financial Statements**

**Note No. 08 - Property Plant and Equipment**

**Amount in Rs.**

Particulars	Gross Block (At Cost)				Depreciation				Net Block	
	As on 01-Apr-2020	Additions	Sale/ Adjustments	As on 31-Mar-2021	Upto 31-Mar-2020	For the year	Adjustment	Upto 31-Mar-2021	As on 31-Mar-2021	As on 31-Mar-2020
<b><u>TANGIBLE ASSETS</u></b>										
Buildings -Interiors	56,06,836	-	-	56,06,836	25,92,342	1,46,806		27,39,148	28,67,688	30,14,495
Furnitures & Fixtures	14,45,70,221	-	-	14,45,70,221	9,37,94,149	1,26,80,146	-	10,64,74,295	3,80,95,926	5,07,75,948
Office Equipments	1,86,78,069	58,238	-	1,87,36,307	1,55,26,943	11,95,741	-	1,67,22,684	20,13,623	29,02,780
Plant & Machinery	43,09,806	-	-	43,09,806	28,40,328	2,65,719		31,06,047	12,03,759	17,17,947
Computers	44,11,371	-	-	44,11,371	40,41,794	1,23,253	-	41,65,047	2,46,324	3,69,577
Vehicles	2,50,39,166	-	-	2,50,39,166	1,58,50,996	23,40,281		1,81,91,277	68,47,889	91,88,170
<b>Total</b>	<b>20,26,15,469</b>	<b>58,238</b>	<b>-</b>	<b>20,26,73,707</b>	<b>13,46,46,552</b>	<b>1,67,51,946</b>	<b>-</b>	<b>15,13,98,498</b>	<b>5,12,75,209</b>	<b>6,79,68,917</b>
<b>Previous year figures</b>	<b>19,18,31,543</b>	<b>2,93,42,074</b>	<b>1,85,58,148</b>	<b>20,26,15,469</b>	<b>12,88,51,081</b>	<b>1,90,89,342</b>	<b>1,32,93,870</b>	<b>13,46,46,552</b>	<b>6,79,68,917</b>	

**Notes:**

(1) Building represents cost incurred on leasehold premises. This cost is depreciated by taking into consideration the useful life prescribed in Schedule-II of the Companies Act' 2013 since the management consider that the lease will last long till that period.

**Prestige Fashions Private Limited**

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**Notes Forming Part of the Financial Statements**

Note No.	Particulars	As at 31-Mar-2021 Rs.	As at 31-Mar-2020 Rs.
<b>9</b>	<b>Deferred tax assets (net)</b>		
	This comprises of timing differences on account of:		
	a) Due to effect of depreciation	1,56,45,081	1,48,33,751
	b) Due to effect of brought forward losses	1,02,03,695	-
	c) Due to effect of other liability	17,87,855	19,42,250
	<b>Total:</b>	<b>2,76,36,631</b>	<b>1,67,76,001</b>
<b>10</b>	<b>Long-term loans and advances (Unsecured, Considered good)</b>		
	Lease and Other Deposits	1,94,82,028	3,44,52,227
	Dealership Deposits	59,23,000	59,23,000
	<b>Total:</b>	<b>2,54,05,028</b>	<b>4,03,75,227</b>
<b>11</b>	<b>Inventories</b>		
	Stock in Trade	7,51,97,261	10,89,39,245
	<b>Total:</b>	<b>7,51,97,261</b>	<b>10,89,39,245</b>
<b>12</b>	<b>Trade receivables</b> (Unsecured & Considered good)		
	Outstanding for more than six months	10,82,654	27,03,800
	Others	1,16,81,082	85,51,055
	<b>Total:</b>	<b>1,16,81,082</b>	<b>1,12,54,855</b>
	<b>Debts Unsecured considered Good includes the following:</b>		
	(i) Debts due by Companies in which any Director is a Director or a Member	30,72,123	29,10,516
	(ii) Debts due by Firms in which any Director is a Partner	45,67,775	20,10,932
<b>13</b>	<b>Cash and cash equivalents</b>		
	(i) Cash on Hand	1,37,126	2,28,578
	(ii) Balances with Scheduled Banks :		
	- In Current Accounts	5,00,000	11,18,406
	- In Cash Credit from Axis Bank	1,25,64,743	6,51,61,753
	<b>Total:</b>	<b>1,32,01,869</b>	<b>6,65,08,738</b>
<b>14</b>	<b>Short-term loans and advances</b>		
	Staff Advance	3,19,000	5,52,668
	Prepaid Expenses	6,98,108	3,20,806
	Advance Income Tax (Net of provision)	1,78,61,000	1,45,14,619
	Balance with tax authorities	41,53,365	26,09,663
	Other Advances	55,10,122	2,19,95,410
	<b>Total:</b>	<b>2,85,41,595</b>	<b>3,99,93,167</b>
<b>15</b>	<b>Segment Reporting:</b>		
	The company is involved in Retailing of Readymade Garments and Accessories and Providing the related services to the customers. This in context of Accounting Standard (AS-17) "Segment Reporting", issued by Institute of Chartered Accountants of India, is considered to constitute one single primary segment.		
<b>16</b>	In the opinion of the management, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the balance sheet. The Provision for all the known liabilities is adequate and not in excess of what is required.		
<b>17</b>	The accounts of sundry debtors, sundry creditors, and advances are subject to confirmations / reconciliation and adjustments, if any & the management does not expect any material impact on the current year's financial statements.		

**Notes Forming Part of the Financial Statements**

**Note  
No.**

**Particulars**

18 As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

**I Name of the transacting party & relationship:**

**A. Companies under common Control**

Prestige Estates Projects Ltd  
Prestige Amusements Pvt. Ltd  
Prestige Leisure Resorts Pvt. Ltd  
Prestige Garden Constructions Pvt Ltd  
Vijaya Productions Pvt. Ltd  
Prestige Managalore Retail Ventures Pvt. Ltd.  
Prestige Mysore Retail Ventures Pvt. Ltd.  
Prestige Retail Ventures Pvt. Ltd.  
Northland holding company Pvt. Ltd.  
Prestige Hospitality Ventures Ltd.  
Prestige Hyderabad Retail Ventures Pvt. Ltd (Formerly : Babji Realators Pvt. Ltd.)  
Prestige Shantiniketan Leisures Pvt Ltd

**B. Enterprises owned or significantly influenced by key management personnel or their relatives or persons who have control or significant influence over the Company**

Prestige Property Management & Services  
Prestige Property Manintenance Services -Chennai  
PSN Property management and Services  
INR Holdings  
Falcon Property management services  
Sublime  
Spring Green  
Prestige Foundation  
Educate India Foundation  
Educate India Trust

**C. Key Management Personnel**

Irfan Razack, Director  
Rezwan Razack, Director  
Noaman Razack, Director

**D. Relative of Key Management Personnel**

Badrunissa Irfan  
Almas Rezwan  
Sameera Noaman  
Uzma Irfan  
Faiz Rezwan  
Sana Rezwan  
Zayd Noaman  
Danya Noaman  
Anjum Jung  
Souda Amin

**Prestige Fashions Private Limited**  
Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
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**Notes Forming Part of the Financial Statements**

**II Nature of transactions along with the amounts :  
Transactions with Related Party during the year 2020-21**

**Amount in Rs.**

Particulars	Financial Year	Companies under common Control	Enterprises owned or significantly influenced by Key Management Personnel or their relatives or persons who have control or significant influence over the Company	Key Management Personnel	Relative of Key Management Personnel	Total
<b>Sale of Goods &amp; Service rendered</b>						
Prestige Estates Projects Limited	FY 20-21	11,84,980	-	-	-	11,84,980
	FY 19-20	78,46,318	-	-	-	78,46,318
Prestige Amusements Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	2,00,530	-	-	-	2,00,530
Prestige Leisure Resorts Pvt. Ltd.	FY 20-21	15,710	-	-	-	15,710
	FY 19-20	1,65,078	-	-	-	1,65,078
Prestige Garden Constructions Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	31,340	-	-	-	31,340
Vijaya Productions Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	1,31,780	-	-	-	1,31,780
Prestige Managalore Retail Ventures Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	47,920	-	-	-	47,920
Prestige Mysore Retail Ventures Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	39,534	-	-	-	39,534
Prestige Shanthiniketan Leisures Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	98,072	-	-	-	98,072
Northland holding company Pvt. Ltd.	FY 20-21	9,57,118	-	-	-	9,57,118
	FY 19-20	4,51,607	-	-	-	4,51,607
Prestige Hospitality Ventures Ltd.	FY 20-21	1,23,167	-	-	-	1,23,167
	FY 19-20	-	-	-	-	-
Prestige Property Management & Services	FY 20-21	-	80,37,780	-	-	80,37,780
	FY 19-20	-	96,61,846	-	-	96,61,846
PSN Property Management & Services	FY 20-21	-	6,59,885	-	-	6,59,885
	FY 19-20	-	3,96,893	-	-	3,96,893
Falcon Property Management Services	FY 20-21	-	6,20,433	-	-	6,20,433
	FY 19-20	-	6,68,133	-	-	6,68,133
Sublime	FY 20-21	-	36,420	-	-	36,420
	FY 19-20	-	36,445	-	-	36,445
Spring Green	FY 20-21	-	53,600	-	-	53,600
	FY 19-20	-	1,23,249	-	-	1,23,249
Rezwan Razack	FY 20-21	-	-	49,846	-	49,846
	FY 19-20	-	-	-	-	-
Noaman Razack	FY 20-21	-	-	-	-	-
	FY 19-20	-	-	1,58,188	-	1,58,188
Uzma Irfan	FY 20-21	-	-	-	67,883	67,883
	FY 19-20	-	-	-	1,37,790	1,37,790
<b>Services Received</b>						
Prestige Estates Projects Limited	FY 20-21	-	-	-	-	-
	FY 19-20	3,94,214	-	-	-	3,94,214

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**Notes Forming Part of the Financial Statements**

**II Nature of transactions along with the amounts :  
Transactions with Related Party during the year 2020-21**

						Amount in Rs.
Particulars	Financial Year	Companies under common Control	Enterprises owned or significantly influenced by Key Management Personnel or their relatives or persons who have control or significant influence over the Company	Key Management Personnel	Relative of Key Management Personnel	Total
Prestige Amusements Pvt. Ltd.	FY 20-21	20,87,734	-	-	-	20,87,734
	FY 19-20	29,11,587	-	-	-	29,11,587
Prestige Garden Constructions Pvt. Ltd.	FY 20-21	23,73,082	-	-	-	23,73,082
	FY 19-20	55,66,276	-	-	-	55,66,276
Vijaya Procuctions Pvt. Ltd	FY 20-21	50,03,622	-	-	-	50,03,622
	FY 19-20	1,34,28,309	-	-	-	1,34,28,309
Prestige Managalore Retail Ventures Pvt. Ltd.	FY 20-21	20,59,153	-	-	-	20,59,153
	FY 19-20	33,04,401	-	-	-	33,04,401
Prestige Mysore Retail Ventures Pvt. Ltd	FY 20-21	35,80,987	-	-	-	35,80,987
	FY 19-20	68,07,569	-	-	-	68,07,569
Prestige Retail Ventures Limited	FY 20-21	33,22,029	-	-	-	33,22,029
	FY 19-20	1,12,97,374	-	-	-	1,12,97,374
Prestige Shanthiniketan Leisure Pvt. Ltd.	FY 20-21	58,78,545	-	-	-	58,78,545
	FY 19-20	1,33,79,759	-	-	-	1,33,79,759
Northland Holding Company Pvt. Ltd.	FY 20-21	-	-	-	-	-
	FY 19-20	69,372	-	-	-	69,372
Prestige Property Management & Services	FY 20-21	-	10,882	-	-	10,882
	FY 19-20	-	35,670	-	-	35,670
INR Holdings	FY 20-21	-	1,90,07,980	-	-	1,90,07,980
	FY 19-20	-	1,92,25,800	-	-	1,92,25,800
Irfan Razack	FY 20-21	-	-	4,19,760	-	4,19,760
	FY 19-20	-	-	3,92,388	-	3,92,388
Rezwan Razack	FY 20-21	-	-	4,19,760	-	4,19,760
	FY 19-20	-	-	3,92,388	-	3,92,388
Noaman Razack	FY 20-21	-	-	4,19,760	-	4,19,760
	FY 19-20	-	-	3,92,388	-	3,92,388
Uzma Irfan	FY 20-21	-	-	-	3,57,734	3,57,734
	FY 19-20	-	-	-	3,57,732	3,57,732
Faiz Rezwan	FY 20-21	-	-	-	1,82,004	1,82,004
	FY 19-20	-	-	-	1,82,004	1,82,004
Sana Rezwan	FY 20-21	-	-	-	1,75,728	1,75,728
	FY 19-20	-	-	-	1,75,728	1,75,728
Zayd Noaman	FY 20-21	-	-	-	1,82,004	1,82,004
	FY 19-20	-	-	-	1,82,004	1,82,004
Danya Noaman	FY 20-21	-	-	-	1,75,728	1,75,728
	FY 19-20	-	-	-	1,75,728	1,75,728
Anjum Jung	FY 20-21	-	-	-	1,26,804	1,26,804
	FY 19-20	-	-	-	1,26,804	1,26,804
<b>Loans and advances provided</b>						
INR Holdings	FY 20-21	-	-	-	-	-
	FY 19-20	-	1,42,56,000	-	-	1,42,56,000

**Prestige Fashions Private Limited**  
Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
CIN : U85110KA1996PTC020005

**Notes Forming Part of the Financial Statements**

**II Nature of transactions along with the amounts :  
Transactions with Related Party during the year 2020-21**

<b>Amount in Rs.</b>						
Particulars	Financial Year	Companies under common Control	Enterprises owned or significantly influenced by Key Management Personnel or their relatives or persons who have control or significant influence over the Company	Key Management Personnel	Relative of Key Management Personnel	Total
<b>Deposit paid during the year</b>						
INR Holdings	FY 20-21	-	-	-	-	-
	FY 19-20		1,41,00,000		-	1,41,00,000
<b>Amount Due From - Rent Deposits</b>						
Prestige Estates Projects Limited	Mar-21	3,83,692	-	-	-	3,83,692
	Mar-20	24,74,295	-	-	-	24,74,295
Prestige Garden Constructions Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	10,70,580	-	-	-	10,70,580
Prestige Mangalore Retail Ventures Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	5,06,880	-	-	-	5,06,880
Prestige Mysore Retail Ventures Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	8,26,020	-	-	-	8,26,020
Prestige Shanthiniketan Leisures Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	20,69,430	-	-	-	20,69,430
Vijaya Productions Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	17,50,000	-	-	-	17,50,000
Prestige Amusements Pvt. Ltd.	Mar-21	1,80,208	-	-	-	1,80,208
	Mar-20	1,80,208	-	-	-	1,80,208
INR Holdings	Mar-21	-	1,10,88,000	-	-	1,10,88,000
	Mar-20	-	1,58,40,000	-	-	1,58,40,000
Uzma Irfan	Mar-21	-	-	-	4,98,750	4,98,750
	Mar-20	-	-	-	4,98,750	4,98,750
Faiz Rezwan	Mar-21	-	-	-	2,53,750.00	2,53,750
	Mar-20	-	-	-	2,53,750	2,53,750
Sana Rezwan	Mar-21	-	-	-	2,45,000	2,45,000
	Mar-20	-	-	-	2,45,000	2,45,000
Zayd Noaman	Mar-21	-	-	-	2,53,750	2,53,750
	Mar-20	-	-	-	2,53,750	2,53,750
Danya Noaman	Mar-21	-	-	-	2,45,000	2,45,000
	Mar-20	-	-	-	2,45,000	2,45,000
Anjum Jung	Mar-21	-	-	-	2,53,750	2,53,750
	Mar-20	-	-	-	2,53,750	2,53,750
<b>Trade Recievables</b>						
Prestige Estates Projects Limited	Mar-21	18,02,279	-	-	-	18,02,279
	Mar-20	20,14,244	-	-	-	20,14,244
Prestige Amusements Pvt. Ltd.	Mar-21	10,637	-	-	-	10,637
	Mar-20	1,24,006	-	-	-	1,24,006
Prestige Leisure Resorts Pvt. Ltd.	Mar-21	1,32,952	-	-	-	1,32,952
	Mar-20	1,30,693	-	-	-	1,30,693
Prestige Hospitality Ventures Ltd.	Mar-21	1,23,167	-	-	-	1,23,167
	Mar-20	-	-	-	-	-

**Prestige Fashions Private Limited**  
Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
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**Notes Forming Part of the Financial Statements**

**II Nature of transactions along with the amounts :  
Transactions with Related Party during the year 2020-21**

<b>Amount in Rs.</b>						
<b>Particulars</b>	<b>Financial Year</b>	<b>Companies under common Control</b>	<b>Enterprises owned or significantly influenced by Key Management Personnel or their relatives or persons who have control or significant influence over the Company</b>	<b>Key Management Personnel</b>	<b>Relative of Key Management Personnel</b>	<b>Total</b>
Prestige Mangalore Retail Ventures Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	79,068	-	-	-	79,068
Prestige Mysore Retail Venures Pvt. Ltd	Mar-21	-	-	-	-	-
	Mar-20	40,133	-	-	-	40,133
Prestige Property Management & Services	Mar-21	-	41,05,080	-	-	41,05,080
	Mar-20	-	18,04,984	-	-	18,04,984
PSN Property Management & Services	Mar-21	-	35,565	-	-	35,565
	Mar-20	-	7,100	-	-	7,100
Falcon Property Management Services	Mar-21	-	4,27,130	-	-	4,27,130
	Mar-20	-	1,51,248	-	-	1,51,248
Spring Green	Mar-21	-	-	-	-	-
	Mar-20	-	47,600	-	-	47,600
Vijaya Productions Pvt. Ltd.	Mar-21	-	-	-	-	-
	Mar-20	7,188	-	-	-	7,188
Prestige Shanthiniketan Leisures Pvt. Ltd	Mar-21	-	-	-	-	-
	Mar-20	85,894	-	-	-	85,894
Northland holding company Pvt. Ltd.	Mar-21	10,03,089	-	-	-	10,03,089
	Mar-20	4,29,290	-	-	-	4,29,290
<b>Amount Due to Trade Creditors</b>						
Prestige Garden Constructions Pvt. Ltd	Mar-21	2,65,110	-	-	-	2,65,110
	Mar-20	6,61,025	-	-	-	6,61,025
Vijaya Productions Pvt. Ltd	Mar-21	7,06,761	-	-	-	7,06,761
	Mar-20	6,85,677	-	-	-	6,85,677
Prestige Mysore Retail Venures Pvt. Ltd	Mar-21	4,94,340	-	-	-	4,94,340
	Mar-20	2,45,162	-	-	-	2,45,162
Prestige Shantiniketan Leisures Pvt. Ltd	Mar-21	7,32,602	-	-	-	7,32,602
	Mar-20	12,91,065	-	-	-	12,91,065
Prestige Amusements Pvt. Ltd.	Mar-21	2,27,497	-	-	-	2,27,497
	Mar-20	1,99,099	-	-	-	1,99,099
Prestige Mangalore Retail Ventures	Mar-21	2,42,321	-	-	-	2,42,321
	Mar-20	1,73,700	-	-	-	1,73,700
Prestige Hyderabad Retail Ventures Pvt. Ltd	Mar-21	-	-	-	-	-
	Mar-20	5,61,789	-	-	-	5,61,789
Prestige Retail Ventures Limited	Mar-21	3,96,022	-	-	-	3,96,022
	Mar-20	8,55,601	-	-	-	8,55,601
INR Holdings	Mar-21	-	4,98,960	-	-	4,98,960
	Mar-20	-	(66)	-	-	(66)
Prestige Property Management & Services	Mar-21	-	2,460	-	-	2,460
	Mar-20	-	-	-	-	-
<b>Others</b>						
Almas Rezwan	Mar-21	-	-	-	-	-
	Mar-20	-	-	-	19,05,650	19,05,650

**Notes Forming Part of the Financial Statements**

**II Nature of transactions along with the amounts :  
Transactions with Related Party during the year 2020-21**

**Amount in Rs.**

Particulars	Financial Year	Companies under common Control	Enterprises owned or significantly influenced by Key Management Personnel or their relatives or persons who have control or significant influence over the Company	Key Management Personnel	Relative of Key Management Personnel	Total
Badrunissa Irfan	Mar-21	-	-	-	-	-
	Mar-20	-	-	-	20,26,300	20,26,300
Educate India Foundation	Mar-21	-	-	-	-	-
	Mar-20	-	521	-	-	521
Falcon Property Management Services	Mar-21	-	-	-	-	-
	Mar-20	-	44,27,620	-	-	44,27,620
Irfan Razack Family Trust	Mar-21	-	-	-	-	-
	Mar-20	-	5,940	-	-	5,940
Irfan Razack	Mar-21	-	-	-	-	-
	Mar-20	-	-	70,87,480	-	70,87,480
Noaman Razack	Mar-21	-	-	-	-	-
	Mar-20	-	-	64,21,930	-	64,21,930
Prestige Property Management & Services : Chennai	Mar-21	-	-	-	-	-
	Mar-20	-	21,97,895	-	-	21,97,895
Prestige Foundation	Mar-21	-	-	-	-	-
	Mar-20	-	2,480	-	-	2,480
Prestige Property Management & Services	Mar-21	-	-	-	-	-
	Mar-20	-	2,40,39,786	-	-	2,40,39,786
Prestige Valley View Estates LLP	Mar-21	-	-	-	-	-
	Mar-20	-	200	-	-	200
PSN Property Management and Service	Mar-21	-	-	-	-	-
	Mar-20	-	3,75,742	-	-	3,75,742
Razack Family Trust	Mar-21	-	-	-	-	-
	Mar-20	-	18,690	-	-	18,690
INR Holdings	Mar-21	-	-	-	-	-
	Mar-20	-	9,96,480	-	-	9,96,480
Rezwan Razack	Mar-21	-	-	-	-	-
	Mar-20	-	-	59,90,380	-	59,90,380
Sameera Noaman	Mar-21	-	-	-	-	-
	Mar-20	-	-	-	15,69,040	15,69,040
Souda Amin	Mar-21	-	-	-	-	-
	Mar-20	-	-	-	44,350	44,350
Spring Green	Mar-21	-	-	-	-	-
	Mar-20	-	-	-	1,87,368	1,87,368

**Note :**

1. The above reported related party relationships and transactions have been identified and made available by the management and relied upon by the auditors.
2. The above amounts exclude reimbursement of expenses.
3. No amount is / has been written off or written back during the period in respect of debts due from or to related party.

**Prestige Fashions Private Limited**  
Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
CIN : U85110KA1996PTC020005

**Notes Forming Part of the Financial Statements**

Note No.	Particulars	Year Ended 31-Mar-2021 Rs.	Year Ended 31-Mar-2020 Rs.
<b>19</b>	<b>Revenue From Operations</b>		
	Sale of Products & Service :		
	- Readymade Garments	7,53,34,911	15,40,01,677
	- Suiting Shirting	3,22,05,270	6,69,80,256
	Tailoring Charges	1,02,75,979	2,11,76,635
	<b>Total:</b>	<b>11,78,16,160</b>	<b>24,21,58,568</b>
<b>20</b>	<b>Other Income</b>		
	Interest Income	10,905	39,08,472
	Rental Income	3,65,98,291	8,04,62,391
	Miscellaneous Income	19,24,098	18,16,749
	<b>Total:</b>	<b>3,85,33,294</b>	<b>8,61,87,612</b>
<b>21</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase of Traded Goods	3,72,82,913	13,93,96,640
	Less: Turnover Bonus	(11,56,209)	(42,35,635)
	<b>Total:</b>	<b>3,61,26,704</b>	<b>13,51,61,005</b>
<b>22</b>	<b>Changes in inventories of Stock-in-Trade</b>		
	Opening Stock of Stock in trade	10,89,39,245	10,32,30,846
	Less: Closing Stock of stock in trade	(7,51,97,261)	(10,89,39,245)
	<b>Total:</b>	<b>3,37,41,984</b>	<b>(57,08,399)</b>
<b>23</b>	<b>Employee Benefit Expense</b>		
	Salaries, Wages and Other Benefits	2,51,99,069	3,38,49,054
	Contribution to Provident and Other Funds	22,67,324	24,65,436
	Staff Welfare Expenses	1,75,977	5,53,061
	<b>Total:</b>	<b>2,76,42,370</b>	<b>3,68,67,551</b>
<b>24</b>	<b>Financial Costs</b>		
	Finance Charges	2,77,813	4,48,365
	<b>Total:</b>	<b>2,77,813</b>	<b>4,48,365</b>
<b>25</b>	<b>Other Expenses</b>		
	Tailoring Expenses	57,98,470	1,39,84,173
	Job Work Charges	41,52,758	75,37,508
	Rent	2,22,47,461	2,85,78,490
	Sub-lease Expenses	3,85,00,118	6,50,42,780
	Shop Maintenance	31,98,788	39,03,952
	Insurance	4,14,386	3,99,540
	Rates and Taxes	4,00,696	2,19,320
	Power & Fuel	33,90,918	43,78,666
	Audit Fees (refer note no. 25 (a))	1,80,000	1,80,000
	Telephone Expenses	3,42,604	4,24,221
	Postage, Printing & Stationery	3,61,299	5,14,322
	Legal & professional Charges	19,40,925	19,74,210
	Travelling & Conveyance Expenses	2,28,651	14,70,054
	Business Promotion Expenses	23,80,345	72,53,084
	Commission	13,07,394	29,62,271
	Advertisement	5,74,956	18,26,416
	Loss on sale/ discard of asset	-	12,64,276
	Miscellaneous Expenses	5,81,443	3,77,741
	<b>Total:</b>	<b>8,60,01,212</b>	<b>14,22,91,023</b>

**Prestige Fashions Private Limited**  
Prestige Falcon Towers, No.19, Brunton Road, Bangalore-560 025  
CIN : U85110KA1996PTC020005

**Notes Forming Part of the Financial Statements**

Note No.	Particulars	Year Ended 31-Mar-2021 Rs.	Year Ended 31-Mar-2020 Rs.
25(a)	<b>Payment to auditors</b>		
	For Statutory Audit	1,50,000	1,50,000
	For Tax Audit	30,000	30,000
	<b>Total:</b>	<b>1,80,000</b>	<b>1,80,000</b>
26	<b>Earning per share (EPS):</b>		
	a) Gain/(Loss) attributable to Equity Shareholders (Rs.)	(3,33,05,927)	(7,51,780)
	b) Weighted average number of equity shares outstanding during the year (Nos.)	7,50,000	7,50,000
	c) Nominal value per share (Rs.)	10	10
	d) Basic earning per share (Rs.)	(44.41)	(1.00)
	e) Diluted earning per share (Rs.)	(44.41)	(1.00)
27	<b>Earnings in Foreign Currency</b>		
	Sales - Retail	13,02,786	80,54,088
28	Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.		

In terms of our report attached.

**For K. KOTRESH & CO.,**  
Chartered Accountants  
Firm Regn No.001426s

**For and on behalf of the Board of Directors**

**Sunil Kumar Garg**  
Digitally signed by Sunil Kumar Garg  
Date: 2021.09.16 18:46:24 +05'30'

**Noaman Razack**  
Digitally signed by Noaman Razack  
Date: 2021.09.16 18:35:45 +05'30'

**IRFAN RAZACK**  
Digitally signed by IRFAN RAZACK  
Date: 2021.09.16 18:38:32 +05'30'

**CA. Sunil Kumar Garg**  
Partner  
Membership No. 052589  
UDIN : 21052589AAAABH4851  
Place: Bengaluru  
Date: 16-Sept-2021

**Noaman Razack**  
Director  
DIN: 00189329

**Irfan Razack**  
Director  
DIN: 00209022