



CHATURVEDI & CO.

CHARTERED ACCOUNTANTS

81, Mittal Chambers, 228, Nariman Point, Mumbai - 400 021.
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Ref. No. 2020/09/036/R

INDEPENDENT AUDITOR'S REPORT

To The Members of
SUDITI SPORTS APPAREL LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Suditi Sports Apparel Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and statement of cash flows for the year then ended, 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, of the "loss", changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 issued thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Material Uncertainty Related to Going Concern

Attention is invited to Note 14 to the financial statements wherein it has been stated that the Company has not yet commenced any business activities since the last 3 years due to which the Company has incurred continuous losses; its net worth has been fully eroded and its current liabilities exceeded its current assets as at the Balance Sheet date; a condition that indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, as stated in the Note, there have been significant developments in the current financial year basis which management estimates a substantial increase in profitable business activities. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter:

We draw attention to Note 16, which describes the effects of uncertainties relating to Covid-19 pandemic outbreak on the Company's operations and management's evaluation of its impact on the financial statements as at 31st March 2020, the impact of which is dependent on future developments.

Our opinion is not modified in respect of this matter.

Other Information:

The Directors are responsible for the other information. The other information comprises the information included in the annual report—viz. the Directors Report-- other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Directors Report is expected to be made available to us after the date of this auditor's report. When we read this report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the laws and regulations.



Responsibility of Management for Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 statement 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal 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.

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



(c) The 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 accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we are to state that in our opinion and to the best of our information and according to the explanations given to us no remuneration has been paid by the Company to its directors during the year. Accordingly, the provisions of section 197 of the Act do not apply.

(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, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts required to be transferred and accordingly there has been no delay in transfer to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.: 302137E)



A handwritten signature in blue ink, appearing to read "S.N. Chaturvedi".

(S.N. Chaturvedi)
Partner
(Membership No.: 040479)

ICAI UDIN : 20040479AAAAFL3551

Place : Mumbai
Date : September 11, 2020.



CHATURVEDI & CO.

CHARTERED ACCOUNTANTS

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of **Suditi Sports Apparel Limited** ("the Company") for the year ended March 31, 2020, we report that:

- 1)
 - a. The Company did not have any fixed assets. Accordingly, provisions of Clause 3(i)(a) do not apply.
 - b. Since the Company did not possess any fixed assets, provisions of Clause 3(i)(b) did not apply.
 - c. According to the information & explanation given to us and on the basis of our verification, the Company did not own any immovable properties. Accordingly, provisions of Clause 3(i)(c) do not apply.
- 2) As explained to us, the company did not carry any inventories during the year. Accordingly, provisions of Clause 3(ii) did not apply.
- 3) According to the information & explanations given to us, the company has not granted 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. In view of the foregoing, the provisions of clause 3 (iii) (a), (b) and (c) of the said order are not applicable.
- 4) The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments and has not provided any loans, guarantees, and security as per the provisions of section 185 and 186 of the Companies Act, 2013.
- 5) During the year, the Company has not accepted any deposits from the Public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under as also the directives issued by the Reserve Bank of India. The Company has complied with the applicable statutory provisions. The Company has not received any order passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6) Maintenance of cost accounts under section 148(1) of the Companies Act, 2013 has not been prescribed for the company.



- 7)
- a. According to the books of account and records as produced and examined by us in accordance with the generally accepted auditing practice in India, the company did not conduct any business activities and also did not have any employees. Hence, the provisions of Clause 3(vii)(a) are not applicable to it.
 - b. According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at 31st March 2020, there were no disputed amounts that had not been deposited.
- 8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to financial institution, bank or Government. The Company did not have any debentures outstanding during the year.
- 9) During the year, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). During the year, the company did not raise any term loans. Accordingly, provisions of Clause 3(ix) do not apply.
- 10) During the course of our examination of the books of accounts and records of the Company, carried out by us in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- 11) According to the information and explanations given to us and based on the records and documents produced before us, no managerial remuneration has been paid by the Company. Accordingly, the reporting on Clause 3 (xi) does not apply.
- 12) The Company is not a Nidhi Company and in view of the foregoing, the question of reporting on Clause 3 (xii) of the said order does not arise.
- 13) According to the information & explanations given to us, there was one transaction with a related party during the year. (Refer to Note 12 to the Summary of Significant Accounting Policies and other explanatory information).
- 14) According to the information and explanations given to us and based on the records and documents produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- 15) As per the information & explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) As per the information & explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



For **Chaturvedi & Co.**
Chartered Accountants
(FRN: 302137E)

A handwritten signature in blue ink that reads "S.N. Chaturvedi".

(S.N. Chaturvedi)
Partner
(Membership No.: 040479)

ICAI UDIN : 20040479AAAAFL3551

Place : Mumbai

Date : September, 11 2020



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ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

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 have audited the internal financial controls with reference to the financial statements of **Suditi Sports Apparel Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal control with reference 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". 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.

Auditor's 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 and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. 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 reference 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 controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference 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 reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Disclaimer of Opinion


According to the information and explanation given to us, the Company has not established its own internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020.



We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For **Chaturvedi & Co.**
Chartered Accountants
(FRN: 302137E)




(**S.N. Chaturvedi**)
Partner
(Membership No.: 040479)

ICAI UDIN : 20040479AAAAFL3551

Place : Mumbai
Date : September 11, 2020

Suditi Sports Apparel Limited

Balance Sheet as at 31st March 2020

(All amounts in Rs.)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Capital work-in-progress		-	-
(c) Intangible assets		-	-
(d) Intangible assets under development		-	-
(e) Financial assets		-	-
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(iv) Other non-current financial assets		-	-
(f) Deferred tax assets (Liability)		-	-
(g) Deferred tax assets		-	-
(h) Other non-current assets	3	25,000	25,000
		25,000	25,000
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Current investments		-	-
(iii) Trade receivables	4	103,290	92,061
(iv) Cash and bank balances		-	-
(v) Bank balances other than (ii) above		-	-
(vi) Loans		-	-
(vii) Other current financial assets		-	-
(c) Other current assets	5	219,678	24,180
(d) Current tax assets		-	-
		322,968	116,241
		347,968	141,241
Total Assets			
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	6	500,000	500,000
(b) Other Equity	7	(1,403,822)	(398,259)
		(903,822)	101,741
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Other non-current liabilities		-	-
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables	8	1,211,240	29,500
(iii) Other financial liabilities		-	-
(b) Other current liabilities	9	30,550	-
(c) Provisions	10	10,000	10,000
(d) Current tax liabilities (Net)		-	-
		1,251,790	39,500
		347,968	141,241
Total Equity and Liabilities			

Notes 1 to 16 form an integral part of the financial statements

In terms of our report of even date

For and on behalf of the Board

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.302137E)


(S.N. Chaturvedi)
Partner
(Membership No.040479)
Mumbai, 11th September, 2020




Pawan Agarwal
Director
DIN: 00808731

Rajendra Agarwal
Director
DIN: 01326273


Harsh Agarwal
Director
DIN: 03332484
Mumbai, 11th September, 2020

Suditi Sports Apparel Limited

Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in Rs.)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
Revenue from operations			-
Other Income			-
Total Income			-
Expenses			
Excise Duty expenses			-
Cost of Material consumed			-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress			-
Employee benefits expense			-
Finance costs			-
Depreciation and amortization expense			-
Other expenses	11	1,005,563	31,503
Total Expenses		1,005,563	31,503
Profit/(loss) before tax		(1,005,563)	(31,503)
Tax Expense:			-
(1) Current Tax			-
(2) Deferred tax			-
Profit/(loss) for the period (IX+XII)		(1,005,563)	(31,503)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			-
(ii) Income tax relating to items that will not be reclassified to profit or loss			-
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		(1,005,563)	(31,503)
Earnings per equity share :			
(1) Basic		(20.11)	(0.63)
(2) Diluted		(20.11)	(0.63)
Number of Shares Used for Computing Earning Per Share			
Basic		50,000	50,000
Diluted		50,000	50,000

Notes 1 to 16 form an integral part of the financial statements

In terms of our report of even date

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.302137E)


(S.N.Chaturvedi)

Partner
(Membership No.040479)
Mumbai, 11th September, 2020



For and on behalf of the Board


Pawan Agarwal
Director
DIN: 00808731

Rajendra Agarwal
Director
DIN: 01326273


Harsh Agarwal
Director
DIN: 03332484
Mumbai, 11th September, 2020

Summary of Significant Accounting Policies and other explanatory information

Statement of changes in Equity for the period ended 31st March, 2020

Amount in Rs.

Particulars	Notes	Equity Share Capital	Other Equity				Total Other Equity
			Reserves and Surplus			Other Reserves	
			Securities Premium	Share option outstanding account	Retained Earnings	Items of Other Comprehensive income, that will not be reclassified to Statement of Profit & Loss	
Balance at April 1, 2018	7	500,000	-	-	(366,756)	-	(366,756)
Profit/ (loss) for the year					(31,503)		(31,503)
Other comprehensive income for the year, net of income tax						-	-
Total comprehensive income for the year			-	-	(31,503)	-	(31,503)
Balance at March 31, 2019		500,000	-	-	(398,259)	-	(398,259)
Profit for the year					(1,005,563)		(1,005,563)
Other comprehensive income for the year, net of income tax						-	-
Total comprehensive income for the year			-	-	(1,005,563)	-	(1,005,563)
Balance at March 31, 2020		500,000	-	-	(1,403,822)	-	(1,403,822)

Notes 1 to 16 form an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.302137E)


(S.N.Chaturvedi)
Partner

(Membership No.040479)
Mumbai, 11th September, 2020




Pawan Agarwal
Chairman
DIN: 00808731

Rajendra Agarwal
Director
DIN: 01326273


Harsh Agarwal
Director

(Membership No.03332484)
Mumbai, 11th September, 2020

Suditi Sports Apparel Limited

Statement of cash flows for the year ended March 31, 2020

(Rs. in lacs)

	As at March 31, 2020	As at March 31, 2019
Cash flows from operating activities		
Profit for the year	(10.06)	(0.32)
Adjustments for:		
Interest income recognised in profit or loss	-	-
Depreciation and amortisation of non-current assets (continuing and discontinued operations)	-	-
Prior period account	-	-
Preliminary Expenses Adjustments	-	-
Amortisation of Rights Issue Expenses	-	-
Profit on sale of fixed assets	-	-
Loss on insurance claim	-	-
Reduction in Investment value	-	-
Employee's Compensation	-	-
	(10.06)	-0.32
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(1.95)	(0.22)
(Increase)/decrease in amounts due from customers under construction contracts	-	-
(Increase)/ decrease in inventories	-	-
(Increase)/decrease in other assets	-	-
Increase/ (Decrease) in trade payables	12.12	(0.01)
Cash generated from operations	0.11	(0.54)
Income taxes paid	-	-
Net cash generated by operating activities	0.11	(0.54)
Cash flows from investing activities		
Payments to acquire financial assets	-	-
Proceeds on sale of financial assets	-	-
Movement in Long term loans and advances	-	-
Subsidy - Interest	-	-
Insurance claim received	-	-
Movement in Non Current Investments	-	-
Net cash (used in)/generated by investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Movement in Other long term liabilities	-	-
Dividends paid on equity shares and convertible non-participating preference shares	-	-
Tax paid on Dividend	-	-
Interest paid	-	-
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents	0.11	(0.54)
Cash and cash equivalents at the beginning of the year	0.92	1.46
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
Cash and cash equivalents at the end of the year	1.03	0.92

In terms of our report of even date

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.302137E)

(S.N.Chaturvedi)
Partner
(Membership No.040479)
Mumbai, 11th September, 2020



For and on behalf of the Board


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Director
DIN: 00808731


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Director
DIN: 01326273


Harsh Agarwal
Director
DIN: 03332484
Mumbai, 11th September, 2020

ANNUAL REPORT 2019-20

ANNEXURE I

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (annexed to and forming part of the financial statements for the year ended 31st March, 2020)

1 Corporate Information

Suditi Sports Apparel Limited ('the company') was incorporated on 18th March 2015. The company is in the business of manufacturing of readymade garments and apparels. The company is also in the business of retail sales. The company is promoted by Suditi Industries Limited and its promoters. The company is considered as a subsidiary of Suditi Industries Limited which holds 80% of the equity capital in the company as on the balance sheet date.

2 Basis of Preparation

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, (Indian Accounting Standards) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost convention on accrual basis, except for certain financial assets and liabilities (including derivative instruments), which are measured at fair value.

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Certain Comparative figures have been reclassified, wherever necessary, to confirm to the presentation adopted in the financial statements. These reclassification were not significant and have no impact of the total assets, total liabilities, total equity and profit of the Company.

2.2 Reporting and presentation currency

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, except share data and as otherwise stated.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates, assumptions and judgements that effect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenses for the period reported.

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 considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

2.4 Revenue Recognition

Since the Company is yet to start its sales business activities, there is no revenue recognition as on Balance Sheet Date.

2.5 Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act, 1961 and other rules specified thereunder.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Since the Company is yet to start its sales business activities, there is no computation made in respect of Deferred tax as on Balance Sheet Date.

Minimum Alternate Tax (MAT)

The Company has not generated any taxable surplus during the previous year and therefore no Minimum Alternate Tax (MAT) provision is required to be made. However, there is a profit recorded in the year 2016-17 on account of re-statement of the financial figures under ind AS which does not fall under the provision of MAT under Income Tax Act, 1961.

2.6 Property, Plant and Equipment

Since the Company is yet to start its sales business activities, no assets are procured as on the Balance Sheet Date. Hence no depreciation is provided in the books for the year 2019-20. There is no retrospective exemptions on Property, Plant and Equipment.

2.7 Depreciation

Since the Company is yet to start its sales business activities, no assets are procured as on the Balance Sheet Date. Hence no depreciation is provided in the books for the year 2019-20.

2.8 Borrowing Cost

Since the Company has not commenced any trading activity, there are no borrowing made by the Company.

2.9 Contingent Liabilities

Since the Company has not commenced any trading activity, there are no contingent liabilities to be reported.

2.10 Impairment of Non-Financial Assets

Since there are no assets in the books, no impairment is applicable.

2.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

2.12 Financial Statements

Initial Recognition

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

Subsequent measurement

Financial Assets at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Financial liabilities

However since the company has not commence any trading activity, there are no details reports under Financial Liabilities.

Trade & other payable

After initial recognition, trade and other payables maturing within one year from the Balance Sheet Date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Suditi Sports Apparel Limited

Summary of Significant Accounting Policies and other explanatory information for FY 2019-20

3 Other non current assets (All amounts in Rs.)

Particulars	As at 31 March 2020	As at 31 March 2019
Preliminary Expenses - Others	-	-
Other Security deposits	25,000	25,000
Total	25,000	25,000

4 Cash and bank balances

Particulars	As at 31 March 2019	As at 31 March 2019
Cash and cash equivalents		
i) Balances with banks	34,340	20,561
ii) Cash on hand	68,950	71,500
Total	103,290	92,061

5 Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with government authorities		
GST RECEIVABLE (NET)	186,570	6,480
Advance to Suppliers	33,108	17,700
Total	219,678	24,180

6 Equity share capital

Authorised	As at 31 March 2020	As at 31 March 2019
Particulars	Amount (at par value)	Amount (at par value)
100,000 Equity Shares of Rs.10/- each	1,000,000	1,000,000
Increase/(decrease)	-	-
	1,000,000	1,000,000

Issued, Subscribed and Paid-up

Particulars	As at 31 March 2020	As at 31 March 2019
Particulars	Amount (at par value)	Amount (at par value)
Equity shares of Rs. 10 each subscribed and fully paid		
50,000 Shares of Rs.10/- each fully paid up	500,000	500,000
As at 31 March 2018	500,000	500,000

Particulars	Notes	Balance at April 1, 2018	Changes in equity share capital during the year 2018-19	Balance at March 31, 2019	Changes in equity share capital during the year 2019-20	Balance at March 31, 2020
50,000 Fully paid equity shares of Rs.10/each (as at March 31, 2020); (50,000 of 10 each as at March 31, 2019)	6	500,000	-	500,000	-	500,000

a) The company has only one class of shares i.e. Equity Shares having a face value of Rs. 10 each. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

b) List of shareholders holding more than 5% shares as at the Balance Sheet date

Name of the Shareholder as at 31 March 2020	No. of Shares
Suditi Industries Limited	40000
Name of the Shareholder as at 31 March 2019	No. of Shares
Suditi Industries Limited	40000
Name of the Shareholder as at 31 March 2018	No. of Shares
Suditi Industries Limited	40000
Name of the Shareholder as at 31 March 2017	No. of Shares
Suditi Industries Limited	40000
Name of the Shareholder as at 1 April 2016	No. of Shares
Suditi Industries Limited	40000

c) Shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding 31st March, 2020)

There has been no allotment of shares pursuant to contract(s) without payment being received in (cash during 5 years immediately preceding 31st March, 2020)

7 Other Equity

	As at 31 March 2020	As at March 31, 2019
Retained earnings	(1,403,822)	(398,259)
Other items of other comprehensive income	-	-
Total	(1,403,822)	(398,259)

Retained Earnings

	As at 31 March 2020	As at March 31, 2019
Balance at the beginning of year	(398,259)	(366,756)
Add: Profit During the year	(1,005,563)	(31,503)
Impact on Account of Deferred Tax	-	-
IndAS Adjustments (P.Y)	-	-
Balance at end of year	(1,403,822)	(398,259)

Description of nature & purpose of each reserve:

Retained Earnings: Created from Profit/loss of the Company , as adjusted for distribution to owners , transfers to other reserves etc.

Other items of other comprehensive income : Created for transferring the re-measurements gains on defined benefit plans & deferred benefit plans & deferred revenue of Fully Convertible Debentures.

8 Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Dues to micro, small and medium enterprises	-	-
Dues to other than micro, small and medium enterprises	1,211,240	29,500
Total	1,211,240	29,500

9 Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Unclaimed Dividend	-	-
Other payables	-	-
ESIC	-	-
Provident fund	-	-
Salary & remuneration	-	-
TDS	30,550	-
Professional tax	-	-
Service Tax	-	-
Sales tax	-	-
Dividend Payable	-	-
Advances from customers	-	-
Total	30,550	-

10 Current provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Audit Fees Payable	10,000	10,000
Total	10,000	10,000

11 Other expenses

Particulars	As at 31 March 2020	As at 31 March 2019
Rates & Taxes	5,015	7,900
Legal & Professional	260,500	13,500
Statutory Auditors Remuneration	10,000	10,000
Bank Charges, Commission & Others	48	103
Royalty (Make provision)	730,000	-
Total	1,005,563	31,503

12 Related Party Disclosures

Related parties with whom the company had transactions during the year

- a) Key Management Personnel
1. Mr.Pawan Agarwal - Director
 2. Relatives of Key Management Personnel:
 - 1.Mr.Rajendra Agarwal (Brother)
 - 2.Mrs. Pramila Agarwal (Sister-in-law of Pawan Agarwal)
 - 3.Mrs.Shalini Agarwal (Wife of Pawan Agarwal)
- b) Enterprises under Common control of the Promoters
1. BLR Knits Pvt. Ltd.
 2. Intime Knits Pvt. Ltd.
 3. Black Gold Leasing Pvt. Ltd.
 4. R. Piyarellal Pvt. Ltd.
 5. Suditi Design Studio Ltd.
 6. Suditi Sports Apparels Ltd.

Disclosure of transactions between the company and related parties

	As at 31 March 2020	As at 31 March 2019
i) Key Management Personnel - Remuneration	-	-
ii) Enterprises under Common control of the Promoters		
a) Sale of Goods		
1. Intime Knits Pvt. Ltd.	-	-
2. BLR Knits Pvt. Ltd.	-	-
b) Purchase of Goods		
1. Intime Knits Pvt. Ltd.	-	-
2. BLR Knits Pvt. Ltd.	-	-
c) Purchase of Capital Goods (Trademark Brand)		
1. Intime Knits Pvt. Ltd.	-	-

d)	Payment for Services Received		
	1. Intime Knits Pvt. Ltd.	-	-
	2. Black Gold Leasing Pvt. Ltd.	-	-
	3. R. Piyarellal Pvt. Ltd.	-	-
	4. BLR Knits Pvt. Ltd.	-	-
e)	Balance Outstanding as at the year end		
	1. BLR Knits Pvt. Ltd. (Receivable)	-	-
	2. Intime Knits Pvt. Ltd. (Net Receivable)	-	-
	3. Black Gold Leasing Pvt. Ltd. (Deposits Receivable)	-	-
	4. Black Gold Leasing Pvt. Ltd. (Net Payable)	840000	-
	5. R. Piyarellal Pvt. Ltd. (Payable)	-	-

13 Earnings per Share

Basic earnings per share has been calculated by dividing profit for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year. Diluted earnings per share has been calculated by dividing profit for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. Dilutive potential equity shares that have been converted in to equity shares during the year are included in the calculation of diluted earnings per share from the beginning of the year to the date of conversion and from the date of conversion, the resulting equity shares are included in computing both basic and diluted earnings per share. Earnings per Share has been computed as under:

	As at 31 March 2020	As at 31 March 2019
Profit for the year (Amt. in Rs.)	(1,005,563)	(31,503)
Weighted average number of Shares for Basic Earnings per Share	50000	50000
Add: Effect of Dilutive Potential Shares (Share Warrants)	-	-
Add: Effect of Dilutive Potential Shares (Employee Stock Options)	-	-
Weighted average number of Shares for Diluted Earnings per Share	50000	50000
Earnings per Share (Rs. per Equity Share of Rs. 10 each)		
Basic	(20.11)	(0.63)
Diluted	(20.11)	(0.63)

14 The Company is yet to commence the business activities. However the company has already started the necessary process to start the operations and towards this extend during the year the company has executed many licentiate agreements with renowned sports clubs and entities with a view to start the production and sales of apparels and garments of various designs and styles. In view of the COVID 19 pandemic the process of commencing the sales business activities is delayed. However considering the projections based on the future prospects the management considers it appropriate at this juncture to maintain the company as a going concern.

15 Financial Risk Management Objectives & Policy

The Company's Financial Risk Management is an integral part of how to plan and execute its Business Strategies. The Company's Financial Risk Management Policy is set by the Board. The Company's activities are generally exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate, risk and commodity risk etc.), credit risk and liquidity risk. However, since the company has not commenced any trading activity, no details are being reported under Financial Risk Management Objectives & Policy.

16 a) The COVID-19 pandemic has caused immense disruptions on the global economic and business environment and there is a huge uncertainty with respect to its severity, which cannot be reasonably ascertained. The Company has evaluated and factored in the possible effects in its working including the likely impact that may result from the COVID-19 pandemic as well as all events and circumstances up to the date of approval of these financial results on the carrying value of its assets and liabilities as at 31st March, 2020.

b) The resultant impact of any event and development occurring after the balance sheet date on the date of the financial results for the quarter and year ended 31st March, 2020 may differ from that estimated as at the date of approval of these financial results and will be recognized prospectively.

c) However, the impact assessment due to COVID-19 is a continuous process given the uncertainty associated with the nature and duration. The Company will continue to monitor any material changes as the situation evolves.

d) The operations of the Company are yet to commence. The operations after commencement also expected to remain impacted because of the pandemic. Exact outcome will be assessed only in the post covid period.

Signatures to Notes 1 to 16

In terms of our report of even date

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration No.302137E)




(S.N.Chaturvedi)
Partner
(Membership No.040479)
Mumbai, 11th September, 2020

For and on behalf of the Board


Pawan Agarwal **Rajendra Agarwal**
Director Director
DIN: 00808731 DIN: 01326273


Harsh Agarwal
Director
DIN: 03332484
Mumbai, 11th September, 2020