

**ACCEL APPARELS PRIVATE LIMITED**

**7<sup>th</sup> ANNUAL REPORT**

**2020-21**

# **ACCEL APPARELS PRIVATE LIMITED**

## **BOARD OF DIRECTORS**

Sri S V Arumugam

Sri K Sadhasivam

## **BANKERS**

Indian Bank

R S Puram

Coimbatore 641 002

## **AUDITORS**

M/s P N Raghavendra Rao & Co.

Chartered Accountants

Coimbatore 641 009

## **REGISTERED OFFICE**

252, Mettupalayam Road,

Coimbatore 641043

CIN: U17100TZ2014PTC020825

Email: [shares@bannarimills.com](mailto:shares@bannarimills.com)

**ACCEL APPARELS PRIVATE LIMITED**

Registered Office:

252, Mettupalayam Road,  
Coimbatore 641043

CIN: U17100TZ2014PTC020825

Email: shares@bannarimills.com

**NOTICE TO MEMBERS**

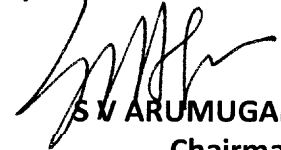
NOTICE is hereby given that the **SEVENTH** Annual General Meeting of the Members of Accel Apparels Private Limited will be held at the Registered Office of the Company at 252, Mettupalayam Road, Coimbatore - 641 043, on Monday, the 27<sup>th</sup> day of September, 2021, at 3.30 P.M to transact the following business

You are requested to make it convenient to attend the Meeting.

**AGENDA**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended at 31<sup>st</sup> March 2021, and the Reports of the Directors and Auditors thereon.

**By Order of the Board**



**S V ARUMUGAM**

**Chairman**

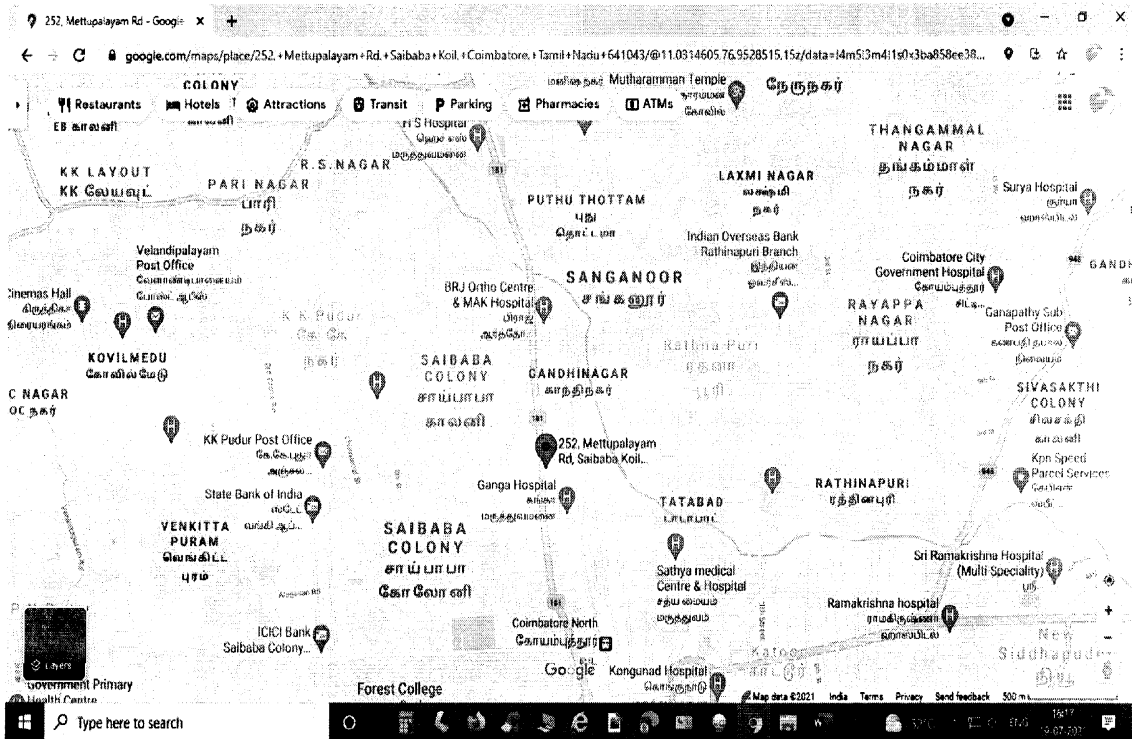
**DIN 00002458**

**Place: Coimbatore**

**Date: 27.7.2021**

**NOTE:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the instead of himself and the proxy need not be a member of the company.
2. Proxies in order to be valid should be deposited at the registered office of the company at least 48 hours before the meeting.
3. A route map showing the route to the venue of the meeting is enclosed separately.



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## **ACCEL APPARELS PRIVATE LIMITED**

### **DIRECTORS' REPORT**

**Dear Members,**

Your Directors have pleasure in presenting the **SEVENTH** Annual Report together with the audited accounts of the Company for the year ended 31<sup>st</sup> March 2021.

#### **REVIEW OF OPERATIONS**

The Company has been incorporated on 28.10.2014. The company is yet to commence its business operation. The Directors are exploring opportunities for commencement of new lines of business.

#### **DIVIDEND**

The Directors have not recommended any dividend during the year.

#### **IMPACT OF COVID-19 ON THE BUSINESS**

The Company has not commenced any business operation so far. Hence reporting on the impact of covid-19 on the Business of the Company does not arise.

#### **FUTURE PROSPECTS**

The Directors are evaluating various business proposals for Commencing the business activities as set out in the Memorandum of Association.

#### **EXTRACT OF ANNUAL RETURN**

An Extract of Annual Return as on Financial Year Ended on 31<sup>st</sup> March, 2021 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, and forming part of this report, in Form MGT- 9 is enclosed as **Annexure-I**.

#### **BOARD OF DIRECTORS AND MEETINGS**

The Board comprises of two Directors. During the financial year, 5 Board Meetings were convened on 9.6.2020, 30.7.2020, 20.10.2020, 11.1.2021 and 11.3.2021. Details of attendance of each director at the Board Meetings of the company are as follows:

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Name of the Director	No. of Board Meetings Attended
1. Sri S V Arumugam	5
2. Sri K Sadhasivam	5

### **CHANGE IN SHARE CAPITAL**

The Company has not issued any Shares during the year under review.

### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There was no change in the constitution of Board of Directors during the year, the Directors are not liable to retire by rotation and the provisions of appointing Key Managerial Personnel are not applicable to the Company.

### **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors of your Company state that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and loss of the Company for that Period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **AUDITORS / AUDITORS' REPORT**

The present Auditors of the Company M/s.P.N Raghavendra Rao & Co, Chartered Accountants, Coimbatore (ICAI Firm Registration No.003328S), were appointed for a

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term of 5 years, pursuant to the resolution passed by the members at the Annual General Meeting held on 29.9.2020. Pursuant to Section 40 of the Companies (Amendment) Act, 2017, the proviso to Section 139 (1) relating to ratification of appointment of Auditors every year has been omitted. Accordingly the term of office of present Auditors will be continued without requirement of ratification.

The Auditors' Report does not contain any qualification, reservation or adverse remarks, requiring any comments by the Board of Directors.

#### **DETAILS OF FRAUDS REPORTED BY AUDITORS**

There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

#### **COMPLIANCE OF SECRETARIAL STANDARD**

The company has complied with applicable secretarial standards issued by the Institute of Company Secretaries of India from time to time.

#### **MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost accounts and cost records as required under Section 148 (1) of the Companies Act, 2013.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not provided any loans or guarantees and has not made any investments to be complied with provisions of Section 186 of the Companies Act, 2013 during the year under review.

#### **RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the companies Act, 2013 are not attracted. Further no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Hence reporting in AOC-2 is not required.

#### **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments affecting the financial position of the company and there is no change in the nature of business of the company.

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## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has not carried on any activity requiring the disclosure under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and hence no reporting on conservation of energy, technology absorption, foreign exchange earnings etc., is given.

## **RISK MANAGEMENT POLICY**

The Company does not have any risk management policy as the element of risk threatening the company's existence is very minimal.

## **HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company is a wholly owned subsidiary of M/s Bannari Amman Spinning Mills Limited with effect from 23.06.2016. The Company does not have any subsidiaries, joint venture or associate companies.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year there was no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has not received any complaint during the year 2020-21 requiring disclosure under the aforesaid Act.

a	No.of complaints filed during the financial year	2020-21	Nil
b	No.of complaints disposed of during the financial year	2020-21	Nil
c	No.of complaints pending as on end of financial year	2020-21	Nil

## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

For the year under review, the provisions on Corporate Social Responsibility are not applicable to the company as per the Companies Act, 2013 and rules made there under.

## **DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

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## **PARTICULARS OF EMPLOYEES**

None of the Employees of the Company has received remuneration exceeding the limit prescribed under Rules 5(2)) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **GENERAL**

Your Directors wish to state that the requirement for disclosure or reporting to be made under the provisions of the Companies Act, 2013 and relevant rules framed thereunder, read with relevant notifications issued by the Ministry of Corporate Affairs, on the following matters are either not applicable to this Company or no such transactions were carried out by the Company during the year under review:

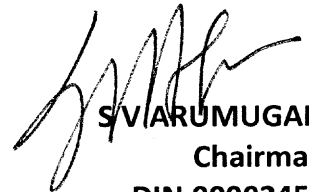
- i. Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- ii. Appointment of Internal Auditors.
- iii. Appointment of Cost Auditors / Maintenance of cost records.

## **ACKNOWLEDGEMENT:**

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities.

**Place: Coimbatore**  
**Date: 27.7.2021**

**By Order of the Board**



**S. VARUMUGAM**  
**Chairman**  
**DIN 00002458**

# ACCEL APPARELS PRIVATE LIMITED

## ANNEXURE I

Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year  
ended 31<sup>st</sup> March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U17100TZ2014PTC020825
ii)	Registration Date	28/10/2014
iii)	Name of the Company	Accel Apparels Private Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non- Government
v)	Address of the Registered office and Contact details	252, Mettupalayam Road, Coimbatore -641 043 0422-2435555
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent	N A

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	-	-	-

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/	% of shares held	Applicable Section
1	Bannari Amman Spinning Mills Limited 252, Mettupalayam Road, Coimbatore - 641 043	L17111TZ198 9PLC002476	Holding	100.00	2(46)

# ACCEL APPARELS PRIVATE LIMITED

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	10000	10000	100	-	10000	10000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1) :-</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-
<b>Total shareholding of promoter (A) = (A)(1)+(A)(2)</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-

## ACCEL APPARELS PRIVATE LIMITED

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Director & Their relatives	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-	<b>10000</b>	<b>10000</b>	<b>100</b>	-

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## ACCEL APPARELS PRIVATE LIMITED

### ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	S V Arumugam (Nominee of Bannari Amman Spinning Mills Limited)	5000	50	-	5000	50	-	-
2	M/s Bannari Amman Spinning Mills Limited	5000	50	-	5000	50	-	-
	<b>Total</b>	<b>10000</b>	<b>100</b>	<b>-</b>	<b>10000</b>	<b>100</b>	<b>-</b>	<b>-</b>

### (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10,000	100.00	10,000	100.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweatequity etc):	No Change			
	At the End of the year	10,000	100.00	10,000	100.00

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

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## ACCEL APPARELS PRIVATE LIMITED

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Sri S V Arumugam, Director</b>				
	At the beginning of the year  Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):  At the end of the year	-	-	-	-
2	<b>Sri K Sadhasivam, Director</b>				
	At the beginning of the year  Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):  At the end of the year	-	-	-	-

**V) INDEBTEDNESS (Rs. In Lakhs)**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-

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## ACCEL APPARELS PRIVATE LIMITED

iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

### VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

SN.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify				
	Total (A)	-	-	-	-
	Ceiling as per the Act				

#### B. Remuneration to other directors:

(Amount in Rs.)

SN.	Particulars of Remuneration	Name of Directors					Total Amount
1	Independent Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-

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# ACCEL APPARELS PRIVATE LIMITED

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Lakhs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	-	-

## VII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board

Place : Coimbatore

Date : 27.7.2021

  
**S. VARUMUGAM**  
 Chairman  
 DIN 00002458



**P.N. RAGHAVENDRA RAO & CO**

Chartered Accountants

Founder P.N. Raghavendra Rao

No. 23/2, Viswa Paradise Apartments IInd Floor, Kalidas Road, Ramnagar, Coimbatore - 641 009  
☎ : 0422 2232440, 2236997 ✉ : info@pnrandco.in 🌐 : www.pnrandco.in

Ref. No. ....

Date : .....

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Accel Apparels Private Limited

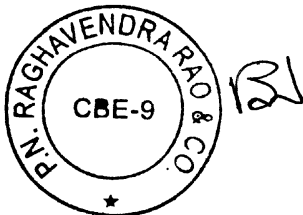
**Report on the Audit of the Financial statements**

**Opinion**

1. We have audited the accompanying financial statements of **Accel Apparels Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes In Equity and Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2021, and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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



# P.N. RAGHAVENDRA RAO & CO

Chartered Accountants

Founder P.N. Raghavendra Rao

No. 23/2, Viswa Paradise Apartments IIInd Floor, Kalidas Road, Ramnagar, Coimbatore - 641 009

☎ : 0422 2232440, 2236997 ✉ : info@pnrandco.in 🌐 : www.pnrandco.in

Ref. No. ....

Date : .....

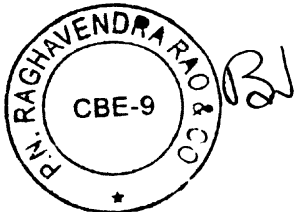
by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these 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.

### Key Audit Matters:

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### Other Information:

5. The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to Board's Report and Shareholder's information, but does not include the financial statements and our auditor's report thereon, which we have obtained prior to the date of this Audit Report.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the 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,



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Chartered Accountants

Founder P.N. Raghavendra Rao

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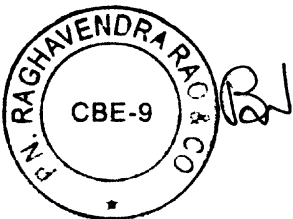
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based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibility of Management and Those Charged with Governance for the Financial statements

7. 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no



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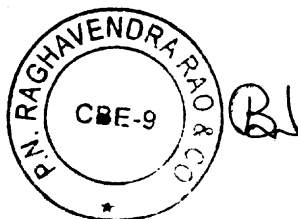
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realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - (a) 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.



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- (b) 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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.
- (e) 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.



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11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

14. 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.



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15. 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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- e) On the basis of written representation received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the 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".



BR

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- g) The Company being a private limited company, reporting on remuneration paid by the company to its directors in accordance with the provisions of section 197 of the Act, as amended is not applicable.
- 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P. N. Raghavendra Rao & Co.,  
Chartered Accountants  
Firm Registration No. 003328S



Pon Arul Paraneedharan

Partner

Membership No. 212860

UDIN : 21212860AAAAFM8110

Place: Coimbatore

Date: 27.07.2021



**P.N. RAGHAVENDRA RAO & CO**

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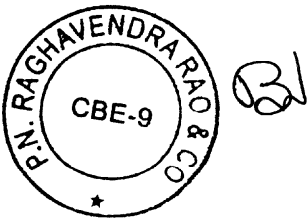
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**Annexure - A to the Independent Auditors' Report**

Referred to in the Independent Auditor's Report of even dated to the members Accel Apparels Private Limited on the financial Statement for the year ended 31<sup>st</sup> March 2021.

- (i) The Company does not have any fixed assets during the year. Accordingly, Paragraph 3(i) of the order is not applicable to the company.
- (ii) The company does not hold any inventory during the year. Accordingly, paragraph 3(ii) of the order is not applicable to the company.
- (iii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the order is not applicable to the Company.
- (iv) In our opinion and according to the information and the explanations given to us, the Company has not granted any made loans, investments or given any guarantee or provided securities which requires compliance to the provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder.



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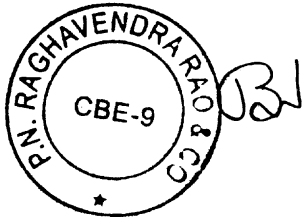
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(vi) Maintenance of cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Act is not applicable for the company. Accordingly, the provisions of paragraph 3(vi) of the order are not applicable to the company.

(vii) a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, service tax, duty of excise, duty of customs, value added tax, cess, goods and service tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, service tax, duty of excise, duty of customs, value added tax, cess, goods and service tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

b. According to the information and explanations given to us, and the records of the company examined by us, there are no dues of Income tax, sales tax, Goods and service tax and duty of excise which have not been deposited on account of any dispute.



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Chartered Accountants

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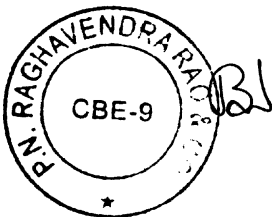
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Date : .....

- (viii) In our opinion and according to the information and explanations given to us, the Company does not have any loans from financial institutions or borrowing from Government, nor it has issued debentures. Accordingly, Paragraph 3(viii) of the order is not applicable to the company.
- (ix) The Company has not raised any money by way of Initial Public Offer or further public offer (including Debt instruments) and has not availed any term loan during the year. Hence reporting under paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no frauds by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company being a private limited company, reporting on remuneration paid by the company to its directors in accordance with the provisions of section 197 of the Act, as amended is not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standard 24 (Related Party Disclosures)



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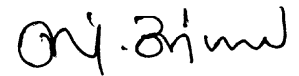
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(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the Directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For P. N. Raghavendra Rao & Co.,  
Chartered Accountants  
Firm Registration No. 003328S



Pon Arul Paraneedharan  
Partner

Membership No. 212860

UDIN: 21212860AAAAAFM8110

Place: Coimbatore

Date : 27.07.2021

**P.N. RAGHAVENDRA RAO & CO**

Chartered Accountants

Founder P.N. Raghavendra Rao

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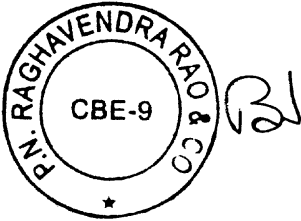
**Annexure – 'B' to the Independent Auditors' report of even date on the Financial Statements of Accel Apparels Private Limited**

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Accel Apparels Private Limited ("the Company") as at 31<sup>st</sup> March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for Internal Financial Controls:**

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



# P.N. RAGHAVENDRA RAO & CO

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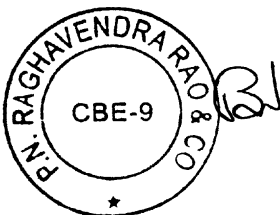
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## Auditor's responsibility

3. 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risks. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error.
5. 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 control system over financial reporting.



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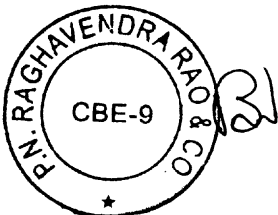
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## Meaning of Internal Financial Control Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that
- a) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - b) 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 expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and
  - c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitation 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 internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become



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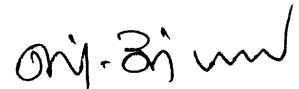
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inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial control 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For P N Raghavendra Rao & Co.,  
Chartered Accountants  
Firm Registration Number: 003328S



Pon Arul Paraneedharan  
Partner

Membership Number: 212860  
UDIN:21212860AAAAFM8110

Place: Coimbatore  
Date: 27.07.2021



**M/s ACCEL APPARELS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31.03.2021**

Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>I. ASSETS</b>			
<b>1.Current Assets</b>			
(a) Financial Assets			
(i) Cash and Cash Equivalents	2	74,239	73,239
<b>Total Current Assets</b>		74,239	73,239
<b>TOTAL ASSETS</b>		<b>74,239</b>	<b>73,239</b>
<b>II.EQUITY AND LIABILITIES</b>			
<b>1.Equity</b>			
(a) Equity and Share capital	3	1,00,000	1,00,000
(b) Other Equity	4	(2,72,339)	(2,20,339)
<b>Total Equity</b>		(1,72,339)	(1,20,339)
<b>2. Liabilities</b>			
(a) Current Liabilities			
(i) Other Current Liabilities	5	2,46,578	1,93,578
<b>Total Current Liabilities</b>		2,46,578	1,93,578
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>74,239</b>	<b>73,239</b>
Significant Accounting Policies	1		
Notes are integral part of the financial statements			

As per our report of even date annexed

**For P. N. Raghavendra Rao & Co**

Chartered Accountants

Firm Reg No: 003328S

*P. N. Raghavendra Rao*

**Pon Arul Paraneedharan**

Partner

Membership No: 212860

UDIN:21212860AAAAFM8110

Place: Coimbatore

Date: 27.07.2021

**For and On Behalf of the Board**

*S. Arumugam*  
S. Arumugam  
Chairman

DIN: 002458

*K. Sadhasivam*  
K. Sadhasivam  
Director

DIN: 00610037

**M/S. ACCEL APPARELS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2021**

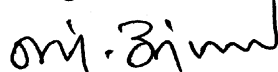
Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>INCOME</b>			
Revenue from operation		-	-
<b>Total Revenue</b>		-	-
<b>EXPENSES</b>			
Other Expenses	6	52,000	50,952
<b>Total Expenses</b>		<b>52,000</b>	<b>50,952</b>
<b>Profit Before Exceptional Items And Tax</b>		<b>(52,000)</b>	<b>(50,952)</b>
Exceptional Items		-	-
<b>Profit Before Tax</b>		<b>(52,000)</b>	<b>(50,952)</b>
Tax Expenses		-	-
<b>Profit/ (Loss) After Tax</b>		<b>(52,000)</b>	<b>(50,952)</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income For The Period</b>		<b>(52,000)</b>	<b>(50,952)</b>
<b>Earnings per equity share of face Value</b>			
<b>Rs.10 each</b>			
a) Basic (in Rs.)		(5.20)	(5.10)
b) Diluted (in Rs.)		(5.20)	(5.10)
Significant Accounting Policies	1		
Notes are integral part of the financial statements			

As per our report of even date annexed

For P. N. Raghavendra Rao & Co

Chartered Accountants

Firm Reg No: 003328S



Pon Arul Paraneedharan

Partner

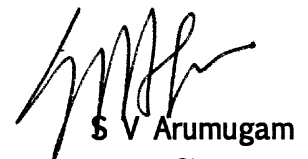
Membership No: 212860

UDIN:21212860AAA AFM8110

Place: Coimbatore

Date: 27.07.2021

For and On Behalf of the Board

  
S V Arumugam

Chairman

DIN: 002458

  
K Sadhasivam

Director

DIN: 00610037

**M/S. ACCEL APPARELS PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021**

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>A.OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) Before Tax	(52,000)	(50,952)
<b>Operating Profit Before Working Capital Changes</b>	<b>(52,000)</b>	<b>(50,952)</b>
Adjustments for:		
Other Current Liabilities	53,000	51,834
<b>Cash Generated from Operations</b>	<b>1,000</b>	<b>882</b>
Income tax paid	-	-
<b>Net Cash generated from/(used in) Operating Activities</b>	<b>1,000</b>	<b>882</b>
<b>B.INVESTING ACTIVITIES:</b>		
Net Cash generated from/(used in) Investing Activities	-	-
<b>C.FINANCING ACTIVITIES:</b>		
Net Cash generated from/(used in) Financing Activities	-	-
<b>Net Increase/(Decrease) from Cash and Cash Equivalents</b>	<b>1,000</b>	<b>882</b>
Cash and Cash Equivalents at the beginning of the Year	73,239	72,357
Cash and Cash Equivalents at the end of the Year	74,239	73,239
<b>Net Increase/(Decrease) from Cash and Cash Equivalents</b>	<b>1,000</b>	<b>882</b>
Significant Accounting Policies	-	1
Notes are integral part of the financial statements		

As per our report of even date annexed

**For P. N. Raghavendra Rao & Co**

Chartered Accountants

Firm Reg No: 003328S

*Pon Arul Paraneedharan*

**Pon Arul Paraneedharan**

Partner

Membership No: 212860

UDIN:21212860AAAAFM8110

Place: Coimbatore

Date: 27.07.2021

**For and On Behalf of the Board**

*S.V. Arumugam*

**S.V. Arumugam**

Chairman

DIN: 002458

*K. Sadhasivam*

**K. Sadhasivam**

Director

DIN: 00610037

**ACCEL APPARELS PRIVATE LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.03.2021**

**A. Equity Share Capital - Refer Note No 3**

Particulars	Number of Shares	Amount in Rs.
Balance at the 01.04.2019	10,000	1,00,000
Changes in Equity Share Capital during the year ended 31.03.2019	-	-
<b>Balance as at 31.03.2020</b>	<b>10,000</b>	<b>1,00,000</b>
Changes in Equity Share Capital during the year ended 31.03.2020	-	-
<b>Balance as at 31.03.2021</b>	<b>10,000</b>	<b>1,00,000</b>

**B. Other Equity - Refer Note 4**

(Amount in Rs.)

Particulars	Reserves and Surplus		Total
	Retained Earnings	Other Comprehensive Income	
Balance as at 01.04.2019	(1,69,387)	-	(1,69,387)
Profit / (Loss) for the year	(50,952)	-	(50,952)
Other Comprehensive Income	-	-	-
<b>Balance as at 31.03.2020</b>	<b>(2,20,339)</b>	-	<b>(2,20,339)</b>
Balance as at 01.04.2020	(2,20,339)	-	(2,20,339)
Profit / (Loss) for the year	(52,000)	-	(52,000)
Other Comprehensive Income	-	-	-
<b>Balance as at 31.03.2021</b>	<b>(2,72,339)</b>	-	<b>(2,72,339)</b>



# ACCEL APPARELS PRIVATE LIMITED

Notes forming part of Financial Statements as at 31.03.2021

## 1 Significant Accounting Policies

### 1.1 Basis of preparation of financial statements :

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under Section 133 of the Companies Act 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet

### 1.2 Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

### 1.3 Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

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#### 1.4 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 1.5 Financial Instrument

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Statement of Profit and Loss.

##### a) Fair Value Measurement

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

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## **b) Financial Assets**

### **i) Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### **ii) Subsequent measurement**

For purposes of subsequent measurement: Debt instruments are measured at amortised cost.

### **iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised primarily when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) The Company has transferred substantially all the risks and rewards of the asset

### **iv) Impairment of Financial Assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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(a). All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(b). Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Losses. The Balance Sheet presentation for various financial instruments is that in the case of Financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### **c) Financial Liabilities**

#### **i) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.



## ii) Subsequent measurement

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

## iii) De-recognition

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

## 1.6 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed

## 1.7 Cash flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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## 1.8 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee with two decimals, as per the requirement of Schedule III, unless otherwise stated.

## 1.9 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates.

The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## 1.10 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

### 1.11 a) Revenue Recognition :

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

### b) Expenditure Recognition :

Expenditure is recognised on accrual basis

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### 1.12 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 1.13 Earnings per Share :

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares and potential common shares from outstanding stock options.

### 1.14 Recent Pronouncements:

Ministry of Corporate Affairs ("MCA") by notification dated 24.03.2021 has amended Schedule III of the Companies Act, 2013 with effect from 1<sup>st</sup> April 2021.

#### **Balance Sheet:**

- (i) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- (ii) Specified format for disclosure of shareholding of promoters.
- (iii) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- (iv) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

#### **Statement of Profit and Loss:**

- (i) Additional disclosures relating to Corporate Social Responsibility (CSR).

The Company will comply with these requirements from the applicable date.

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**ACCEL APPARELS PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2021**

(Amount in Rs.)

Note	Particulars	31.03.2021	31.03.2020		
2	<b>Cash and Cash Equivalents</b>				
	Balances with Scheduled Banks : In Current Accounts	74,239	73,239		
	<b>Total</b>	<b>74,239</b>	<b>73,239</b>		
3	<b>Share Capital</b>				
	Authorised Share Capital: 1,00,000 equity shares of Rs.10/- each	10,00,000	10,00,000		
	Issued, Subscribed and Paid up Share capital: 10,000 equity shares of Rs.10/- each	1,00,000	1,00,000		
	<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>		
a	<b>Reconciliation of Number and Amount of Shares at the end of the reporting period</b>				
	<b>Particulars</b>	<b>As at 31.03.2021</b>		<b>As at 31.03.2020</b>	
		<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	No. of Shares at the beginning of the reporting period	10,000	1,00,000	10,000	1,00,000
	No. of Shares issued during the period	-	-	-	-
	No. of Shares at the end of the reporting period	10,000	1,00,000	10,000	1,00,000
b	<b>Details of shareholders holding more than 5% shares</b>				
	<b>Particulars</b>	<b>As at 31.03.2021</b>		<b>As at 31.03.2020</b>	
		<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>
	Sri S V Arumugam*	50%	5,000	50%	5,000
	Bannari Amman Spinning Mills Limited	50%	5,000	50%	5,000
	<b>Total</b>	<b>50%</b>	<b>10,000</b>	<b>50%</b>	<b>10,000</b>
<p>* Out of the total shares, 5000 shares are held in the name of Sri S V Arumugam, who is the nominee of Bannari Amman Spinning Mills Limited  The Company is wholly owned subsidiary company of Bannari Amman Spinning Mills Limited.</p>					
c	<p><b>The Rights, preferences and restrictions attaching to each class of shares</b>  The Company has only one class of equity share having a face value of Rs. 10 per share.  Each holder of equity shares is entitled to one vote per share. An equity shareholder has got right to attend the General meeting convened by the company and to received dividend when declared.  The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of members at the ensuing Annual General Meeting.</p>				

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**ACCEL APPARELS PRIVATE LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

<b>Note No</b>	<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>4</b>	<b>Other Equity</b>		
	<b>Retained Earnings</b>		
	Balance as per the Last Balance Sheet	(2,20,339)	(1,69,387)
	Add : Profit/(Loss) After Tax for the year	(52,000)	(50,952)
	<b>Total</b>	<b>(2,72,339)</b>	<b>(2,20,339)</b>
<b>5</b>	<b>Other Current Liabilities</b>		
	Audit fees payable	41,300	35,400
	Dues to Related Parties	2,05,278	1,58,178
	<b>Total</b>	<b>2,46,578</b>	<b>1,93,578</b>
<b>6</b>	<b>Other Expenses</b>		
	Auditors Remuneration	47,200	40,400
	ROC Filing Fees	2,800	10,434
	Bank Charges	2,000	118
	<b>Total</b>	<b>52,000</b>	<b>50,952</b>

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**ACCEL APPARELS PRIVATE LIMITED**  
NOTES FORMING PART OF FINANCIAL STATEMENTS

**7 Auditor's Remuneration**

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Statutory Audit	35,400	35,400
ITR Filing	5,900	-
Previous year ITR Filing fee	5,900	5,000
<b>Total</b>	<b>47,200</b>	<b>40,400</b>

**8 Contingent Liabilities and Commitments**

The Company does not have any Contingent Liabilities and Commitments as at the reporting date.

**9 Earnings and Expenditure in Foreign currency transaction**

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Earnings & Expenditure in foreign currency	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**10 Related Parties Disclosure**

**10.1 Related Parties and their relationship**

Information on Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures' for the year ended 31.03.2021

**10.1.1 Key Management Personnel :**

- (i) Mr. S.V Arumugam
- (ii) Mr. K. Sadhasivam

**10.1.2 Holding Company**

- (i) Bannari Amman Spinning Mills Limited (100% Holding Company)

**10.1.3 Enterprises in which the Key management Personnel or relatives have significant influence**

- (i) Bannari Amman Logistics Private Limited
- (ii) Bannari Amman Properties Private Limited
- (iii) Anamallais Motors Private Limited
- (iv) Senthil Infrastructure Private Limited
- (v) Anamallais Automobiles Private Limited
- (vi) Bannari Amman Flour Mill Limited
- (vii) Sakthi Murugan Transports Limited
- (viii) Murugan Enterprise Private Limited
- (ix) Anamallais Agencies Private Limited
- (x) Abirami Amman Designs Private Limited
- (xi) Young Brand Apparel Private Limited
- (xii) Bannari Amman Retails Private Limited
- (xiii) Bannari Amman Trendz Private Limited

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## 10.2 Related Party Transactions

Name of the Related Party	Nature of Transaction	Transaction Amount	Outstanding Balance
Bannari Amman Spinning Mills Limited	Advance Received	47,100 (51,834)	2,05,278 (1,58,178)

(Previous Year figures are shown in brackets)

## 11 Segment Information

The company is yet to start its operation and is evaluating various proposals for commencing the business as set out in memorandum of Association. Hence the company does not have any reportable information under Ind AS 108.

## 12 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:

There are no dues outstanding more than 45 days to Micro, Small and Medium Enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as on 31st March 2021

## 13 Earnings/(Loss) Per Share

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Profit/(Loss) for the year attributable to Equity Shareholders	(52,000)	(50,952)
Weighted average number of equity shares (Nos.)	10,000	10,000
Nominal Value per Share	10	10
Basic and Diluted Earnings/(Loss) per Share before exceptional items	(5.20)	(5.10)
Basic and Diluted Earnings/(Loss) per Share	(5.20)	(5.10)

## 14 Previous year figures have been regrouped or reclassified wherever necessary to conform to current year's classification.

As per our report of even date annexed

For P. N. Raghavendra Rao & Co

Chartered Accountants

Firm Reg No: 003328S



Pon Arul Paraneedharan

Partner

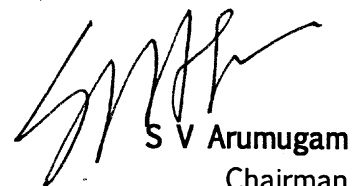
Membership No: 212860

UDIN:21212860AAAAFM8110

Place: Coimbatore

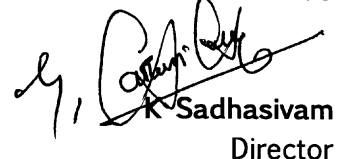
Date: 27.07.2021

For and On Behalf of the Board



S V Arumugam  
Chairman

DIN: 002458



K Sadhasivam  
Director

DIN: 00610037