

PLANET SPINNING MILLS PRIVATE LIMITED

FINANCIAL REPORT

FINANCIAL YEAR 2021-22

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ZARANA & ASSOCIATES
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS OF COMPANY

To,
The Members,
PLANET SPINNING MILLS PRIVATE LIMITED
Mumbai

Report on the Audit of the Financial Statement of Company

Opinion

We have audited the accompanying Financial Statement of **PLANET SPINNING MILLS PRIVATE LIMITED** CIN U17291MH2011PTC222105. ("the Company"), which comprises the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income) and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statement 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 the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and the profit and its cash flows for the year ended on that date.

Basis for Opinion

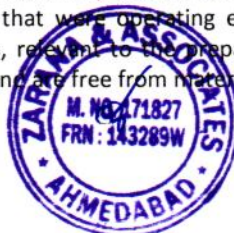
We conducted our audit of the Financial Statement of Company in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statement of Company and in forming our opinion thereon, and we do not provide a separate opinion on these matters, further We have determined that there are no key audit matters to communicate in our report

Management's Responsibility for the Financial Statement of Company

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statement of Company that give a true and fair view of the financial position, financial performance, total comprehensive income and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Statement of Company, 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.

The Board of Directors are responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statement of Company

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

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

- Identify and assess the risks of material misstatement of the Financial Statement of Company, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statement of Company 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 Statement of Company, including the disclosures, and whether the Financial Statement of Company represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that



were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statement of Company comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the Directors as on 31st March, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Internal Financial Control over financial reporting is given in the Annexure "B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us.
 - i. The Financial Statement of Company has no impact of pending litigation on its financial position.
 - ii. The Financial Statement of Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.



FOR ZARANA & ASSOCIATES
CHARTERED ACCOUNTANTS

Zarana

ZARANA KARIA
(PROPRIETOR)

Membership No. - 171827
Firm Registration No. - 143289W
UDIN: 22171827AIXUYL4527

Ahmedabad, May 12th 2022

ANNEXURE ("A") TO THE INDEPENDENT AUDITOR'S REPORT:

(Referred to in Paragraph 1 under section (Report on Other Legal and Regulatory Requirements, of our report of even date)

1.
 - a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, title deed of immovable properties is held in the name of company.
2. As explained to us, the management has conducted physical verification of inventory at reasonable intervals during the year and no discrepancies were noticed on such physical verification.
3. As informed to us, the company has not taken loans from the parties covered in the register maintained under section 189. The company has not granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loan, investments, guarantees and security.
5. According to the information and explanations given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. We have broadly reviewed the books of account maintained by the Company pursuant sub-section (1) of Section 148 of the Companies Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7.
 - a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues with the appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, no undisputed amount is payable in respect of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess or GST as at 31st March, 2022.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or Government during the year.
9. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has not paid/provided managerial remuneration in in the books hence the clause A is not applicable to it.



12. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements of Company as required by the applicable Indian Accounting Standards.
14. Based upon the audit procedures performed and according to the information and explanations given to us, in our opinion, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. Based upon the audit procedures performed and according to the information and explanations given to us, in our opinion, The Company has not entered into any non-cash transactions with directors or persons connected with him.
16. Based upon the audit procedures performed and according to the information and 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 ZARANA & ASSOCIATES
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Ahmedabad, May 12th 2022

ANNEXURE ("B") TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of PLANET SPINNING MILLS PRIVATE LIMITED on the Financial Statement of Company for the year ended 31st March, 2022.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

We have audited the internal financial controls over financial reporting of **PLANET SPINNING MILLS PRIVATE LIMITED** as of 31st March, 2022 in conjunction with our audit of the Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,



(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



FOR ZARANA & ASSOCIATES
CHARTERED ACCOUNTANTS

ZARANA KARIA
(PROPRIETOR)

Membership No. - 171827
Firm Registration No. - 143289W
UDIN: 22171827AIXUYL4527

Ahmedabad, May 12th 2022

1- Corporate information

Planet Spinning Mills Private Limited ('the Company') is a private limited, domiciled in India and incorporated on 17th September 2011 under the provision of the Companies Act, 1956. The Company is engaged in Spinning activity.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) and all values are presented in full, except otherwise indicated.

3 Summary of significant accounting policies

3.1 Current vs Non Current Classification

The Company presents assets and liabilities in the Balance Sheet base on current/non-current classification.

An asset is current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
 - ii) Held primarily for the purpose of trading
 - iii) Expected to be realised within twelve months after the reporting period, or
 - iv) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current

A liability is current when it is:

- i) Expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and inclusive of excise duty, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Interest income

Interest income is recognised using effective interest method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross amount of the financial asset or to the amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but doesn't consider the expected credit losses. Interest income is included in the other income in the Statement of Profit and Loss.

3.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.4 Property, plant and equipment (PPE)

Property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Profit and Loss during the financial period in which they are incurred.



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022

- Borrowing cost relating to acquisition / construction of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on written down value (WDV) method using the rates arrived at based on the useful lives estimated by the management. Further, pursuant to the notification of Schedule II of the Companies Act 2013, by the Ministry of Corporate Affairs effective 01st April, 2014, the management has internally reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013.

Depreciation and Amortisation

Depreciation is charged on the basis of useful life of assets on WDV method which are as follows:-

Asset Category	Life in Year
Building	30
Office Equipment	5
Plant and Machinery	15
Electrical Installations	10
Computers	3
Fire Extinguisher	5
Furniture and Fixtures	10

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period.

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

3.6 Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income taxes are recognised for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases in the financial statements. The effect on deferred tax assets and liabilities of a change in the tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

3.7 Provisions, contingent liabilities, contingent assets and commitments

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.8 Fair value disclosures for financial assets and financial liabilities

The management believes that the fair values of non-current financial assets (e.g. Investments at FVPL, loans and others), current financial assets (e.g. , cash equivalents, trade and other receivables, loans), non-current financial liabilities and current financial liabilities (e.g Trade payables and other payables and others) approximate their carrying amounts.

The Company has not performed a fair valuation of its investment in unquoted equity shares other than subsidiary, which are classified as FVOCI (refer Note 4), as the Company believes that impact of change on account of fair value is insignificant.

Fair value of quoted investment in mutual fund is determined by reference to available net asset value (NAV) available from respective Assets Management Companies ("AMC")

3.9 Fair value measurement

The Company measures financial instruments, such as, investments and derivatives, 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:

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

The principal or the most advantageous market must be accessible by the Company.

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

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- > 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted/quoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with The Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

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.



3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

A) Debt instruments

i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) 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. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans, security deposits given, trade and other receivables.

ii) Debt instrument at FVTOCI

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has not classified any financial asset into this category.

iii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

B) Equity instruments

All equity instruments are subsequently measured at fair value in the balance sheet, with value changes recognised in statement of profit and loss, except for those equity instruments for which the Company has elected to present value changes in "other comprehensive income". If an equity instrument is not held for trading, the Company may make an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income. The Company makes such election on an instrument by instrument basis.

If the Company decides to classify an equity 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.

The Company has elected to present all equity instruments, other than those in subsidiary, through FVTPL and all subsequent changes are recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



Notes to financial statements for the year ended 31st March, 2022

- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk said initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period the credit risk reduces since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The 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. The Company has presumed that default doesn't occur later than when a financial asset is 90 days past due.

ECL is the difference between all contracted 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. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head "Other Expense" in the P&L. The impairment loss is presented as an allowance in the Balance Sheet as a reduction from the net carrying amount of the trade receivable, loan, deposits and lease receivable respectively.

Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part of the EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

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 derecognition 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.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the statement of profit and loss.

Reclassification of financial instruments

After initial recognition, no reclassification is made for financial assets which are equity instruments. For financial assets, which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. If the Company reclassifies the financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.11 Events Occurring After Balance - Sheet

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 31st March 2022, there were no subsequent events to be recognised or reported that are not already disclosed.

3.12 Impact of Covid – 19

The Outbreak of COVID-19 pandemic as arose in March, 2020 globally and in India is causing significant disturbance and slowdown of economic activity. The company's operations and revenue were also impacted due to COVID-19 in earlier periods.

The company has considered internal and external sources of information for evaluating the financial results and has concluded that there is no significant impact of the same on the financial statements as at the year ended March 31, 2022. As the nature, condition and duration of Covid-19 is uncertain, the company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the company.

3.13 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

4 Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Depreciation

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



PLANET SPINNING MILLS PRIVATE LIMITED

CIN: U17291MH2011PTC222105

Balance Sheet as at 31st March, 2022

(₹ in Lakh)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
Assets			
Non-current assets			
Property, plant and equipment	5	1,249.36	867.68
Capital work-in-progress	6	-	546.25
Deferred tax assets (net)	7	26.95	27.54
Total non-current assets		1,276.31	1,441.47
Current assets			
Inventories	8	340.13	135.77
Financial assets			
Trade Receivables	9	2,257.04	1,529.04
Cash and cash equivalents	10	36.48	24.54
Other bank balances	11	19.80	-
Other Financial assets	12	58.74	9.74
Current tax assets	13	63.75	38.62
Other current assets	14	64.92	515.91
Total current assets		2,840.86	2,253.62
Total assets		4,117.17	3,695.09
Equity and liabilities			
Equity			
Equity share capital	15	300.00	300.00
Other equity	16	192.31	23.79
Total equity		492.31	323.79
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	1,980.00	1,696.61
Total non-current liabilities		1,980.00	1,696.61
Current liabilities			
Financial liabilities			
- Borrowings	18	-	585.94
- Trade Payables	19	-	-
Total outstanding due of micro enterprises and small enterprises		-	-
Total outstanding due of creditors other than micro enterprises and small enterprises		1,534.58	754.58
Other current liabilities	20	51.83	305.59
Current Tax Liabilities	21	58.46	28.58
Total current liabilities		1,644.87	1,674.69
Total liabilities		3,624.87	3,371.30
Total equity and liabilities		4,117.17	3,695.09
The accompanying notes are an integral part of these financial statements	1 to 41		

As per our report of even date

For ZARANA & ASSOCIATES

Chartered Accountants

ZARANA KARIA
PROPRIETOR

M. No.: 171827

Firm Registration No.: 143289W

For and on behalf of Board of Directors of
PLANET SPINNING MILLS PRIVATE LIMITED

Mr. Dharmendra
Lalbhai Patel
(Director)
DIN: 08447448Mr. Devkinandan
Jagdishprashad Sharma
(Director)
DIN: 07900496

Place : Ahmedabad

Date : 12-05-2022

PLANET SPINNING MILLS PRIVATE LIMITED

CIN: U17291MH2011PTC222105

Statement of Profit and Loss for year ended 31st March, 2022

(₹ in Lakh)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income			
Revenue from operations	22	14,048.56	8,080.43
Other income	23	61.14	0.74
Total income		14,109.70	8,081.17
Expenses			
Cost of material consumed	24	10,535.91	4,981.35
Purchases of Traded Goods	25	1,962.50	1,859.13
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(59.16)	41.83
Employee benefits expense	27	226.69	156.95
Finance costs	28	34.36	91.05
Depreciation and amortization expense	29	189.96	102.44
Other expenses	30	987.70	665.23
Total expenses		13,877.95	7,897.98
Profit before exceptional and extraordinary items and tax		231.74	183.19
Exceptional items		-	-
Profit before extraordinary items and tax		231.74	-
Extraordinary items		-	-
Profit before tax		231.74	183.19
Tax expense:	31		
Current tax		58.46	28.58
Tax of earlier periods		2.00	(2.07)
Deferred tax		0.58	5.85
Less: MAT credit entitlement		2.19	(2.19)
Total tax expense		63.23	30.17
Profit / (Loss) After Tax for the period from continuing operations		168.52	153.02
Profit/(loss) from Discontinuing Operations		-	-
Tax expense of Discontinuing Operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit / (Loss) After Tax for the period		168.52	153.02
Other comprehensive income			
Items not reclassified to profit or loss in subsequent periods (Equity instruments)		-	-
Income Tax Relating to Item (Equity instruments)		-	-
Total comprehensive income for the period Comprising Profit and other Comprehensive Income For the Period		168.52	153.02
Earnings per equity share			
Basic and Diluted	32	5.62	5.10
The accompanying notes are an integral part of these financial statements	1 to 41		

As per our report of even date

For **ZARANA & ASSOCIATES**

Chartered Accountants

ZARANA KARIA
PROPRIETOR

M. No.: 171827

Firm Registration No.: 143289W

UDIN- 22171827AIXUYL4527



For and on behalf of Board of Directors of
PLANET SPINNING MILLS PRIVATE LIMITED

Mr. Devkinandan

Jagdishprashad Sharma

(Director)

DIN: 07900496

Mr. Dharmendra Lalbhai

Patel

(Director)

DIN: 08447448

Place : Ahmedabad

Date : 12-05-2022

PLANET SPINNING MILLS PRIVATE LIMITED
CIN: U17291MH2011PTC222105
Cash flow statement for the year ended 31st March, 2022

Particulars	(₹ in Lakh)	
	Year ended 31-03-2022	Year ended 31-03-2021
A Cash flow from operating activities:		
Profit before tax as per statement of Profit and Loss Account	231.74	183.19
Adjustments for :		
Depreciation and amortisation expense	189.96	102.44
Finance expense	34.35	91.04
Interest income	(0.48)	-
MAT Credit	(2.19)	2.19
Operating profit before working capital changes	453.39	378.86
Adjustments for changes in working capital :		
(Increase)/ Decrease in trade receivables	(728.00)	(1,300.98)
(Increase)/ Decrease in inventories	(204.36)	126.54
(Increase)/ Decrease in other financial assets	(49.00)	(9.54)
(Increase)/ Decrease in other assets	425.85	(55.67)
Increase/ (Decrease) in trade payables	780.01	451.19
Increase/ (Decrease) in other liabilities	(253.77)	9.65
Increase/ (Decrease) in financial liabilities	-	(14.96)
Cash flow from/ (used in) operations	424.12	(414.91)
Income taxes paid	(30.58)	-
Net cash flow from/(used in) operating activities	393.55	(414.91)
B Cash flow from investing activities:		
Interest received	0.48	-
Purchase of fixed assets (including capital work-in-progress, capital advances and intangibles under development)	(25.39)	(546.25)
Net cash (used in)/flow from investing activities	(24.91)	(546.25)
C Cash flow from financing activities:		
Net (repayment)/proceeds from short-term borrowings	(585.94)	-
Net (repayment)/proceeds from long-term borrowings	283.39	1,021.46
Finance expense paid	(34.35)	(91.04)
Net cash (used in)/flow from financing activities	(336.90)	930.42
D Net increase in cash and cash equivalents (A+B+C)	31.74	(30.74)
Cash and cash equivalents at the beginning of the year	24.54	55.28
Cash and cash equivalents at the end of the year	56.28	24.54
E Cash and cash equivalents comprises of:		
Balances with banks on current accounts	12.52	1.07
Cash on hand	23.96	23.47
Other bank balances	19.80	-
	56.28	24.54

As per our report of even date

For ZARANA & ASSOCIATES

Chartered Accountants

Zarana
ZARANA KARIA
PROPRIETOR
M. No.: 171827
Firm Registration No.: 143289W



For and on behalf of Board of Directors of
PLANET SPINNING MILLS PRIVATE LIMITED

Mr. Dharmendra
Mr. Dharmendra
Lalbhai Patel
(Director)
DIN: 08447448

Mr. Devkinandan Jagdishprasad
Mr. Devkinandan Jagdishprasad
Sharma
(Director)
DIN: 07900496

Place : Ahmedabad

Date : 12-05-2022

PLANET SPINNING MILLS PRIVATE LIMITED

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity share capital*

1. Current Reporting Period - 31st March, 2022

(₹ in Lakh)

Balance at the beginning of the current reporting period	Changes in Share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
30.00	0.00	0.00	0.00	30.00

2. Previous Reporting Period - 31st March, 2021

(₹ in Lakh)

Balance at the beginning of the previous reporting period	Changes in Share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
30.00	0.00	0.00	0.00	30.00

B. Other equity

1. Current Reporting Period - 31st March, 2022

(₹ in Lakh)

Particulars	Reserves & Surplus			Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Security Premium	Retained Earnings		
Balance at the beginning of the current reporting period	0.00	0.00	23.79	0.00	23.79
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the current reporting period	0.00	0.00	0.00	0.00	0.00
Total comprehensive income for the current year	0.00	0.00	168.52	0.00	168.52
Dividends	0.00	0.00	0.00	0.00	0.00
Transfer to retained earnings	0.00	0.00	0.00	0.00	0.00
Any other change (to be specified)	0.00	0.00	0.00	0.00	0.00
Balance at the end of the current reporting period	0.00	0.00	192.31	0.00	192.31

2. Previous Reporting Period - 31st March, 2021

(₹ in Lakh)

Particulars	Reserves & Surplus			Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Security Premium	Retained Earnings		
Balance at the beginning of the previous reporting period	0.00	0.00	-129.24	0.00	-129.24
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the previous reporting period	0.00	0.00	0.00	0.00	0.00
Total comprehensive income for the previous year	0.00	0.00	153.02	0.00	153.02
Dividends	0.00	0.00	0.00	0.00	0.00
Transfer to retained earnings	0.00	0.00	0.00	0.00	0.00
Any other change (to be specified)	0.00	0.00	0.00	0.00	0.00
Balance at the end of the previous reporting period	0.00	0.00	23.79	0.00	23.79

As per our report of even date

For ZARANA & ASSOCIATES

Chartered Accountants

ZARANA KARIA

PROPRIETOR

M. No.: 171827

Firm Registration No.: 143289W

Place : Ahmedabad

Date : 12-05-2022

For and on behalf of Board of Directors of
PLANET SPINNING MILLS PRIVATE LIMITED



Mr. Dharmendra
Lalbhai Patel
(Director)
DIN: 08447448



Mr. Devkinandan
Jagdishprashad
(Director)
DIN: 07900496

PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financials statements for the year ended 31st March, 2022

Note 5 - Property, plant and equipment										(₹ in Lakh)
Particulars	Tangible assets									
	Land	Factory Building	Plant & Machinery	Furniture & Fixtures	Computer Equipment	Office Equipment	Fire Extinguisher	Vehicle	Total	
Fixed Assets										
As at 31st March, 2020	177.37	409.23	980.27	1.59	0.02	1.73	0.07	-	1,570.28	
Additions	-	-	-	-	-	-	-	-	-	
Deductions	-	-	-	-	-	-	-	-	-	
As at 31st March, 2021	177.37	409.23	980.27	1.59	0.02	1.73	0.07	-	1,570.28	
Additions	-	168.99	402.15	-	0.50	-	-	-	571.64	
Deductions	-	-	-	-	-	-	-	-	-	
As at 31st March, 2022	177.37	578.23	1,382.42	1.59	0.52	1.73	0.07	-	2,141.92	
Accumulated depreciation										
As at 31st March, 2020	-	110.17	487.58	1.11	-	1.26	0.03	-	600.15	
Depreciation for the year	-	29.38	73.00	0.06	-	-	-	-	102.44	
Deductions	-	-	-	-	-	-	-	-	-	
Adjustments	-	-	-	-	-	-	-	-	-	
As at 31st March, 2021	-	139.55	560.59	1.17	-	1.26	0.03	-	702.59	
Depreciation for the year	-	40.91	148.78	0.11	0.13	0.03	0.00	-	189.96	
Deductions	-	-	-	-	-	-	-	-	-	
Adjustments	-	-	-	-	-	-	-	-	-	
As at 31st March, 2022	-	180.46	709.37	1.28	0.13	1.28	0.03	-	892.56	
Net block										
As at 31st March, 2022	177.37	397.76	673.05	0.31	0.39	0.44	0.04	-	1,249.36	
As at 31st March, 2021	177.37	269.68	419.68	0.42	0.02	0.47	0.04	-	867.68	

Capital work-in-progress (CWIP) Ageing Schedule

(Amount in ₹)

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

(Amount in ₹)

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	546.25	-	-	546.25
Projects temporarily suspended	-	-	-	-
Total	546.25	-	-	546.25



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements as at 31st March, 2022

		(₹ in Lakh)	
	Particulars	As at 31st March 2022	As at 31st March, 2021
6	Capital work-in-progress		
	Capital work-in-progress	-	546.25
		-	-
		-	546.25
7	Deferred tax assets (net)		
	On difference between book base and tax base of depreciable assets	26.95	27.54
		-	-
		26.95	27.54
8	Inventories		
	Raw material and components	227.65	82.45
	Work-in-progress	42.57	52.09
	Finished goods	69.91	1.23
		-	-
		340.13	135.77
9	Trade Receivables		
	Current		
	(Unsecured, considered good unless otherwise stated)		
	Trade receivables		
	• From others	3.88	1,529.04
	• From related party	2,253.16	-
	Less: Provision for doubtful debts	-	-
		2,257.04	1,529.04
	Break up for security details		
	Unsecured, considered good	2,257.04	1,529.04
	Unsecured, considered doubtful	-	-
	Provision for doubtful debts	-	-
		2,257.04	1,529.04

Trade receivables Ageing Schedule
As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	2,254.79	0.05	1.22	-	0.98	-	2,257.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

As at 31 March 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,517.24	0.46	-	3.35	8.00	-	1,529.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

10	Cash and cash equivalents		
	Balance in current account	12.52	1.07
	Cash on hand	23.96	23.47
		-	-
		36.48	24.54
11	Bank balances other than cash and cash equivalents		
	(i) Bank fixed deposits held as margin money or as security deposit	19.80	-
		-	-
		19.80	-



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements as at 31st March, 2022

		(₹ in Lakh)	
		As at	As at
		31st March 2022	31st March, 2021
Particulars			
12 Other Financial assets Current			
Deposits		58.74	9.74
		-	-
		58.74	9.74
13 Current tax assets			
Advance Income Tax		50.00	30.00
TDS/TCS Receivable		13.75	6.43
MAT Credit		-	2.19
		-	-
		63.75	38.62
14 Other current assets			
Balances with statutory/ Government authorities		44.65	259.54
Advances to Suppliers		8.24	1.24
Other advances		-	248.36
Loans to Employees		4.50	0.35
Prepaid Expenses		7.53	6.42
		-	-
		64.92	515.91
15 Share capital			
A) Authorized share capital			
50,00,000 Equity Shares of Rs.10 each		500.00	500.00
		-	-
		500.00	500.00
B) Issued, subscribed and paid up share capital fully paid			
30,00,000 Equity Shares of Rs.10 each with voting rights fully paid		300.00	300.00
		-	-
		300.00	300.00

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	30,00,000	300.00	30,00,000	300.00
Movement during the year	0	-	0	-
At the end of the year	30,00,000	300.00	30,00,000	300.00

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share.

Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholder holding more than 5% shares in the Company

Equity shares of ₹10 each fully paid		As at	As at
		31st March, 2022	31st March, 2021
Jindal Worldwide Limited	Number of Shares	29,99,999	29,99,999
	% Holding	99.99%	99.99%

(d) Shares reserved for issue under option

The Company has not reserved any shares for issuance under options

(e) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Company has neither issued any bonus shares, shares for consideration other than cash nor has there been any buyback of shares in the current year and preceding five years from 31st March, 2022.

(f) Shareholding of Promoters :

As at 31st March, 2022

Names of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Jindal Worldwide Limited	29,99,999	0.00	29,99,999	99.99%	0.00%
Amit Agrawal (Nominee of Jindal Worldwide Limited)	1	0.00	1	0.01%	0.00%
Total	30,00,000	-	30,00,000	100.00%	

As at 31st March, 2021

Names of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Jindal Worldwide Limited	29,99,999	0.00	29,99,999	99.99%	0.00%
Amit Agrawal (Nominee of Jindal Worldwide Limited)	1	0.00	1	0.01%	0.00%
Total	30,00,000	-	30,00,000	100.00%	



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements as at 31st March, 2022

Particulars	(₹ in Lakh)	
	As at 31st March 2022	As at 31st March, 2021
16 Other equity		
(i) Retained earnings		
Opening balance	23.79	(129.24)
Add: Profit/ (loss) for the year	168.52	153.02
Closing balance	192.31	23.79
Total	192.31	23.79

17 Borrowings		
Non-current borrowings		
Unsecured loan	1,980.00	1,696.61
	1,980.00	1,696.61

18 Borrowings		
Current borrowings		
From Banks- Cash Credit/ Working Capital Demand Loan- Secured*	-	585.94
*Secured against hypothecation of Inventories & Sundry Debtors	-	-
	-	585.94

Changes in liabilities arising from financing activities

As at 31 March 2022

Particulars	Opening	Cash Flow	Foreign exchange cash flow	New leases	Others	Closing
Current borrowings	585.94	(585.94)	-	-	-	-
Non- current borrowings	1,696.61	283.39	-	-	-	1,980.00
Total liabilities from financing activities	2,282.55	(302.55)	-	-	-	1,980.00

As at 31 March 2021

Particulars	Opening	Cash Flow	Foreign exchange cash flow	New leases	Others	Closing
Current borrowings	600.90	(14.96)	-	-	-	585.94
Non- current borrowings	675.16	1,021.46	-	-	-	1,696.61
Total liabilities from financing activities	1,276.06	1,006.50	-	-	-	2,282.55

19 Trade payables		
Total outstanding due of micro enterprises and small enterprises	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	1,534.58	754.58
	1,534.58	754.58

Trade payables Ageing Schedule

As at 31 March 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,534.47	0.11	-	-	-	-	1,534.58
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	1,534.47	0.11	-	-	-	-	1,534.58

As at 31 March 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	754.58	-	-	-	-	-	754.58
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	754.58	-	-	-	-	-	754.58

20 Other current liabilities		
Statutory dues	3.63	3.79
Advance from customers	0.14	-
Salary Payable	16.99	15.13
Audit fees payable	0.30	0.33
Electricity expenses payable	30.76	26.39
Others	-	259.95
	51.83	305.59

21 Current Tax Liabilities		
Current Tax Liabilities AY 2021-22	58.46	28.58
	58.46	28.58



PLANET SPINNING MILLS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

		(₹ in Lakh)	
	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
22	Revenue from operations		
	Sale of products and services		
	Sale of Product	12,086.06	6,221.30
	Trading Sale	1,962.50	1,859.13
		-	-
		14,048.56	8,080.43
	Disaggregated revenue information		
	Cotton Yarn	11,578.86	6,104.94
	Cotton Waste	507.20	116.36
	Cotton- Trading	123.17	102.16
	Cotton Yarn- Trading	1,839.33	1,756.98
	Total revenue from operation	14,048.56	8,080.43
	In India	14,048.56	8,080.43
	Outside India	-	-
	Total revenue from operation	14,048.56	8,080.43
23	Other income		
	<u>Interest income on</u>		
	Fixed deposits	0.48	-
	Sales Tax Incentive	48.69	-
	Lease Rent	1.20	0.70
	Sundry balance written off	10.77	0.04
		-	-
		61.14	0.74
24	Cost of material consumed		
	Opening stock	82.45	167.16
	Add : Purchases during the year	10,681.11	4,896.63
	Less: Inventory at the end of the year	227.65	82.45
		-	-
		10,535.91	4,981.35
25	Purchases of Traded Goods		
	Cotton Yarn	1,839.33	1,756.98
	Cotton	123.17	102.16
		-	-
		1,962.50	1,859.13
26	Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	<u>Inventory as at the beginning of the year</u>		
	Work-in-progress	52.09	26.36
	Finished goods	1.23	68.79
	<u>Inventory as at the end of the year</u>		
	Work-in-progress	42.57	52.09
	Finished goods	69.91	1.23
		-	-
		(59.16)	41.83
27	Employee benefits expense		
	Salaries, wages and allowance	216.32	150.39
	Contribution to employee fund	4.15	1.98
	Staff Welfare Expenses	6.22	4.57
		-	-
		226.69	156.95



PLANET SPINNING MILLS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March, 2022

		(₹ in Lakh)	
	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
28	Finance costs		
	Interest charged on :		
	Fixed Loans, Buyer's Credit, Short Term etc.	30.90	79.40
	Delayed payment of Taxes	1.09	0.10
	Others Finance costs	2.36	11.54
		-	-
		34.36	91.05
29	Depreciation and amortization expenses		
	Depreciation of property, plant and equipment	189.96	102.44
		-	-
		189.96	102.44
30	Other expenses		
	Stores & Spares	81.27	60.38
	Packing Material	38.88	26.69
	Electricity Consumption	693.10	495.05
	Labour Charges	86.30	45.97
	Repairs to Machinery	25.73	2.16
	Carriage Inward and Freight	0.85	0.54
	Loading & Unloading Expenses	0.93	0.68
	Audit Fees*	0.30	0.30
	Conveyance & Travelling Expenses	1.14	0.41
	EPCG Charges	2.30	-
	Filing Fees	0.80	0.21
	Franking and Notary Expenses	0.05	0.04
	Insurance Expenses	11.13	5.84
	Lease Line Expense	0.70	0.70
	License Fees	0.24	-
	Other Repairs	17.35	10.99
	Postage and Courier	-	0.00
	Professional Fees	1.60	1.65
	Printing & Stationery	0.27	0.24
	Property Taxes	1.00	1.63
	Software Expense	19.55	8.55
	Factory Expenses	4.20	3.19
		987.70	665.23
*	Payment to auditor		
	As auditor:		
	Audit fee	0.25	0.25
	Tax audit fees	0.05	0.05
		0.30	0.30
31	Tax expense		
31.1	The major components of income tax expense are:		
(a)	Income tax recognised in statement of profit and loss:		
	Current income tax	58.46	28.58
	Adjustment in respect of previous years	2.00	(2.07)
	Deferred tax:		
	Relating to origination and reversal of temporary differences	0.58	5.85
	MAT Credit	2.19	(2.19)
	Income tax expenses reported in statement of profit and loss	63.23	30.17
(b)	Income tax recognised in other comprehensive income		
	Current Income tax	-	-
	Net gain/(loss) on re-measurement of defined benefit plans	-	-
		-	-



(₹ in Lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
31.2 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2021 and 31st March, 2022:		
Accounting profit before tax	231.74	183.19
Income tax	58.46	28.58
Adjustment in respect of:		
Current income tax of previous year	2.00	(2.07)
MAT credit entitlement	2.19	(2.19)
Net tax expense recognised in statement of profit and loss	62.64	24.32
Effective tax rate	0.00	0.00

31.3 Deferred tax**Reconciliation of deferred tax assets (net):****Opening balance as at 1st April, 2021**

27.54 33.39

Tax (income) / expense during the period recognised in profit or loss

(0.58) (5.85)

Closing balance as at 31st March, 2022

26.95 27.54

32 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable on equity holders of the company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic & diluted EPS computation

Basic and diluted earning per share

Face value per share (INR)

10/- 10/-

Profit attributable to equity shareholders of the Company for basic & diluted earning

168.52 153.02

Weighted average number of equity shares for basic & diluted EPS

30,00,000 30,00,000

Basic and diluted earning per share (in ₹)

5.62 5.10



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022

33 Capital management

- (a) The Company's capital management objective are to ensure Company's ability to continue as a going concern as well to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term bank borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances) and current investments. The table below summarises the capital, net debt and net debt to equity ratio of the company.

Particulars	(₹ in Lakh)	
	As at 31st March, 2022	As at 31st March, 2021
Equity share capital	300.00	300.00
Other equity	192.31	23.79
Total equity	492.31	323.79
Non-current borrowings	1,980.00	1,696.61
Short term borrowings	-	585.94
Gross Debt	1,980.00	2,282.55
Gross debt as above	1,980.00	2,282.55
Less: Cash and cash equivalents	36.48	24.54
Less: Other bank balances	19.80	-
Net Debt	1,923.73	2,258.01
Net debt to equity	3.908	6.974

34 Fair value measurement

- (a) The carrying value and fair value of financial instruments by categories as of 31st March, 2022 is as follows :

Particulars	(₹ in Lakh)		
	Fair value through other comprehensive income	Fair value through other profit & loss	Amortised Cost
Financial assets			
Cash and cash equivalents	-	-	36.48
Other bank balances	-	-	19.80
Trade Receivables	-	-	2,257.04
Other Financial assets	-	-	58.74
	-	-	2,372.05
Financial liabilities			
Borrowings	-	-	1,980.00
Trade payables	-	-	1,534.58
Other financial liabilities	-	-	-
	-	-	3,514.58

The carrying amounts of trade payables and other payables, working capital borrowing current loan and cash & cash equivalents are considered to be the same as fair value, due to short term in nature

- (b) The carrying value and fair value of financial instruments by categories as of 31 March 2021 is as follows :

Particulars	(₹ in Lakh)		
	Fair value through other comprehensive income	Fair value through other profit & loss	Amortised Cost
Financial assets			
Cash and cash equivalents	-	-	24.54
Trade Receivables	-	-	1,529.04
Other Financial assets	-	-	9.74
	-	-	1,563.32
Financial liabilities			
Borrowings	-	-	2,282.55
Trade payables	-	-	754.58
Other financial liabilities	-	-	1,060.17
	-	-	4,097.30

The carrying amounts of trade payables and other payables, working capital borrowing current loan and cash & cash equivalents are considered to be the same as fair value, due to short term in nature



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022

35 The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. Company's principal financial liabilities comprises, loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liability is to finance company's operation. Company's principal financial asset include loan to subsidiaries, investments, trade and other receivables, security deposits and cash and cash equivalent, that directly derive from its business.

(a) Credit Risk

Credit Risk in case of the Company arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2022 & 31 March 2021 as summarised below:

	(₹ in Lakh)	
	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents	36.48	24.54
Other bank balances	19.80	-
Trade Receivables	2,257.04	1,529.04
Other Financial assets	58.74	9.74
	2,372.05	1,563.32

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties only.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

(c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest risk, currency risk and other price risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2022 and 31st March, 2021.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term borrowings with floating interest rate and carrying short term borrowings with floating interest rate. The company's investment in fixed deposit carries fixed interest rate.

36 The Previous year figures have been re-grouped wherever necessary in order to make the figures comparable to the current year.

37 Recent accounting pronouncements

Standards issued but not effective

The amendments to standards that are issued and new standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards whenever they become applicable. Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued from time to time as summarised below:

1) On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01st April, 2022, as below:

a) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendment to have any significant impact in its financial statements.

c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.



d) 'Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

II) Earlier, the Ministry of Corporate Affairs("MCA") had issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2019. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended/issued the following standards:

a) Ind AS 116-Leases

Nature of the effect of adoption of Ind AS 116

The Company has lease contracts for land. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability.

In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 was applied to these leases from April 01, 2019.

Leases previously accounted for as operating leases

The Company does not have any assets on operating lease.

The effect of adoption Ind AS 116 as at April 01, 2017

The Company has adopted Ind AS 116 Leases, using the modified retrospective approach and applied the Standard to its leases on a prospective basis. The adoption of the standard did not have any impact to the financial results.

Summary of new accounting policies

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

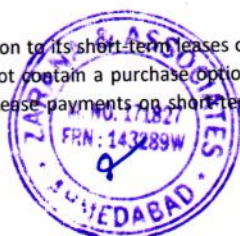
Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of property, plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

b) 'Ind AS 12 - Income Taxes - Appendix C, Uncertainty over Income Tax Treatments:-

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit/loss, tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2017. The Company will adopt the standard on April 1, 2017 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2017 if any without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

c) Amendment to Ind AS 19 – Employee benefit - plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the financial statements.

38 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.73	1.35	28.34%	Cash Credit repaid
Debt- Equity Ratio	Total Debt	Shareholder's Equity	4.02	7.05	-42.95%	Cash Credit repaid
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	11.60	3.22	260.59%	Cash Credit repaid
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.41	1.36	-69.70%	Shareholder's Equity is increased compared to previous years.
Inventory Turnover ratio	Sales	Average Inventory	59.04	40.60	45.43%	Stock variation
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.42	9.20	-19.31%	-
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	11.05	12.77	-13.51%	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	11.75	13.96	-15.84%	-
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.012	0.019	-36.66%	Total sales increased with less margin.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	0.11	2.30%	-
Return on Investment	Interest (Finance Income)	Investment	0.00	0.00	-	-



PLANET SPINNING MILLS PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2022

39 Other additional Regulatory Information :

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The provision of CSR under section 135 of the companies Act 2013 are not applicable therefore disclosure not applicable.
- (ix) No such Loan & Advances has been granted to promoters/ directors / related parties as repable on demand or otherwise.

40 Segment information

a Basis for segmentation

The Company's senior management examines the company's performance on the basis of single segment namely Textiles. Hence, the Company has only one operating segment under Ind AS 108 - Operating Segments i.e. Textiles.

b Geographical Information

The geographical information have been identified based on revenue within India (sales to customers with in India) and revenue outside India (sales to customers located outside India). The following table presents geographical information regarding the Company's revenue:

Particulars	(₹ in Lakh)	
	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Total Revenue from operations based on Geography		
From India	14,048.56	8,080.43
From Outside India	-	-
Total	14,048.56	8,080.43
Revenue from sale of Product and Services based on Geography		
From India	14,048.56	8,080.43
From Outside India	-	-
Total	14,048.56	8,080.43



41 In accordance with the requirements of Indian accounting Statndered (Ind AS-24), related party disclosures are as follows:

a) List of related parties

Relationship

Holding Company

Name of related party

Jindal Worldwide Ltd.

Entities where significant influence is exercised by KMP having transactions with the Company

Jindal Worldwide Ltd.

b) Summary of related party transactions

(₹ in Lakh)

S.No	Particulars	Wholly owned subsidiaries/ subsidiary		Key management personnel		Entities where significant influence is exercised by KMP	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
i	Transactions during the year						
	Sale of goods and services						
	Jindal Worldwide Ltd.	-	-	-	-	5,864.54	3,396.93
ii	Purchases of goods and services						
	Jindal Worldwide Ltd.	-	-	-	-	10,652.08	5,705.70
iii	Rental Received						
	Jindal Worldwide Ltd.	-	-	-	-	1.20	0.70
v	Loan						
	Taken						
	Jindal Worldwide Ltd.	-	-	-	-	2,598.00	1,696.61
	Paid						
	Jindal Worldwide Ltd.	-	-	-	-	2,314.61	-
i	Outstanding at the end of the year						
	Unsecured loans						
	Jindal Worldwide Ltd.	-	-	-	-	1,980.00	1,696.61
ii	Trade Receivable						
	Jindal Worldwide Ltd.	-	-	-	-	2,253.16	-
iii	Trade Payable						
	Jindal Worldwide Ltd.	-	-	-	-	1,513.57	745.15

c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the year the Company has not recorded any impairment of receivables relating to amounts owed by related parties (previous year: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

d) Loan from Holding Company

Loan from Holding Co. has been taken to meet out working capital requirement from time to time basis , on such terms and conditions as may be mutually agreed upon between the company and Holding company.

The accompanying notes form an integral part of financial statements

As per our report of even date

For ZARANA & ASSOCIATES

Chartered Accountants


ZARANA KARIA

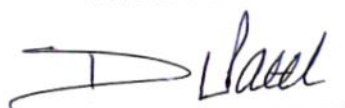
PROPRIETOR

M. No.: 171827

Firm Registration No.: 143289W



For and on behalf of Board of Directors of
PLANET SPINNING MILLS PRIVATE LIMITED



Mr. Dharmendra Lalbhai
Patel
Director
DIN: 08447448



Mr. Devkinandan Jagdishprasad
Sharma
Director
DIN: 07900496

Place : Ahmedabad

Date : 12-05-2022