

**RIYAZ GANGJI**  
LIBAS



**Annual Report**  
**2018-19**

**RIYAZ GANGJI**  
LIBAS

**Libas Designs Limited**

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THE  
**DIFFERENCE**  
BETWEEN  
**STYLE**  
AND **FASHION**  
IS **QUALITY**

SHOP ONLINE  
[www.libasfashion.com](http://www.libasfashion.com)

## **CHAIRMAN'S MESSAGE**

**Dear Shareholder,**

We've had an exceptional year. Thanks to our clients, our employees and stakeholders.

I am very delighted and deeply honoured as I put forward before you the Annual Report of the Company for the financial year 2018-19.

As you are aware, the country recently witnessed two large economic events of demonetization and introduction of the GST. Both Government initiatives were targeted towards greater formalization of the Indian economy and increasing the level of transparency and compliance in economic transactions in the country.

Despite of the above challenges, the Company was able to successfully maintain its revenues, profitability and cash flows due to its inherent strengths built over two decades.

Fashion is ever-evolving, and we will be sensitive, agile and open to the rapidly evolving fashion market. The spirit of our design thinking lies not only in the brands and experiences we create, but also in building relationships, leading innovation, setting trends and providing fulfillment to consumers.

Truly complying with the name, Libas Designs Limited believes that the secret to great style is to feel good in what you wear and thus we brings to you authentic and re-defined styles with a perfect mix of regional crafts , intricate craftsmanship and luxe fabrics in timeless color palettes .

Been an ace player in the fashion industry for more than 14 years, Libas has left no stone unturned to assure their customers and clients by constructing the most desirable outfit as per their preferences.

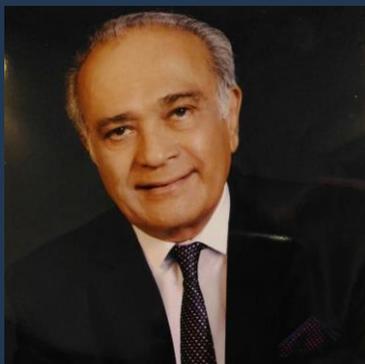
The Company remains committed to its growth strategy and the overall performance of the Company is expected to improve in the coming years.

I extend my sincere thanks to all our stakeholders including lending banks, shareholders, customers and our loyal, hardworking and committed employees for their continued support in shaping and improving the performance of the Company.

**Nishant Mahimtura**

Chairman

## Management Background



**NISHANT MAHIMTURA**  
**FOUNDER & CFO**

- Bachelor of Science
- Diploma in Marketing and Advertising
- 45 + years of experience in the field of Marketing and Finance
- Looks after strategic planning, marketing and managing the finance & accounts of Libas Designs Limited



**RIYAZ GANJI**  
**WHOLETIME DIRECTOR**

- 20+ years of experience in textile industry.
- Started his First Libas – Riyaz Gangji store in the year 1996.
- Designer of the first international video of A.R. Rahman in Vande Mataram in 1996.



**RESHMA GANJI**  
**MANAGING DIRECTOR**

- Graduate from Mumbai University
- Mumbai based International fashion designer having experience of more than 20 years.
- First Indian female designer to represent India at the World Trade Centre (New York).
- Responsible for management and administrative functions of the Company.

## Board Profile



**ANAND TAGGARS**  
**INDEPENDENT DIRECTOR**

- Bachelor of Commerce from University of Bombay.
- Master of Business Administration (Part time) & Finance from NMIMS University.
- 30+ years experience in Banking Industry.



**REEMA VARDE**  
**INDEPENDENT DIRECTOR**

- Diploma course in Basic Fashion Technology from B.D. Somani Institute of Art and Fashion Technology.
- Dedicated 17 years as senior faculty & later as assistant HOD of the fashion department at B.D. Somani Institute of Art and Fashion Technology.
- Heads the Head of Department position at INIFD Vashi Branch and also works as a freelancer designer.



**VIVEK KAMATH**  
**INDEPENDENT DIRECTOR**

- Post graduation in Science from University of Bombay also holds the degree of Master of Business Administration in Marketing from University of Bombay.
- 20+ years in the areas of General Management, Marketing, Sales, Business Development & Healthcare Communications.
- Currently the Group COO at Pinnacle Cancer Centres India & International.

## Awards & Pictures



## **CORPORATE INFORMATION**

### **THE BOARD OF DIRECTORS**

Mr. Anand Taggarsi	Independent Director
Mr. Nishant Mahimtura	Director
Mrs. Reema Varde	Independent Director
Mrs. Reshma Ganji	Managing Director
Mr. Riyaz Ganji	Wholetime Director
Mr. Vivek Kamath	Independent Director

### **Chief Financial Officer**

Mr. Nishant Mahimtura

### **Company Secretary & Compliance Officer**

Ms. Raashi Singhi

### **Registered Office**

401, 4th Floor, Crescent Royale,  
Off New Link Road, Lokhandwala Complex,  
Andheri (West) Mumbai-400053  
Maharashtra  
Website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com)

### **Statutory Auditors**

M/s Jain Jagawat Kamdar & Co.

301-302, Poonam Pearl, Next To Himachal Society,

Opposite New India Colony, Juhu Lane,

Andheri West, Mumbai 400058

Tel : 022-26203021, 8104854097, 8104846127

Website: [jjkandco.com](http://jjkandco.com)

### **Secretarial Auditors**

JMJA & Associates LLP

131, Bldg No.2, New Sonal Link Industrial Estate,

Link Road, Malad West, Mumbai-400064

Phone: 022-40109730

Website: [www.jmja.in](http://www.jmja.in)

### **Bankers**

Union Bank of India

### **Registrar and Share Transfer Agents**

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol, Andheri (E), Mumbai – 400 059;

Tel: +91 – 22 – 62638200; Fax: +91 – 22 – 62638299;

Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

Website: [www.bigshareonline.com](http://www.bigshareonline.com);

### **Shares Listed on**

National Stock Exchange of India Limited

## NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of Members of the LIBAS DESIGNS LIMITED will be held on Monday, September 30, 2019, at 12.00 PM at the Registered Office of the Company situated at Libas Designs Limited, 401, 4<sup>th</sup> Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai- 400053, Maharashtra to transact the following business:

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31<sup>st</sup>, 2019 together with the reports of the Board of Directors ("the Board") and auditors thereon.
2. To appoint a director in place of **Mr. Riyaz Ganji, (DIN: 02236203)** who retires by rotation & being eligible seeks re-appointment.

### AS SPECIAL BUSINESS

To consider and if consider fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

3. "**RESOLVED THAT** pursuant to provisions of Section 152 read with Rule 8, 9, and Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act 2013 read with rules made thereunder (including any statutory modifications, reenactment for the time being in force) the consent of the shareholders be and is hereby obtained to reappoint / ratify Mr. Nishant Mahimtura, (DIN: 02000572) as an Executive Director of the Company upon completion of seventy years.

**RESOLVED FURTHER THAT** any one Director and the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, things and matters as may be necessary to give effect to the resolution."

**For and on the behalf of,  
LIBAS DESIGNS LIMITED**

**Sd/-**

**Riyaz Eqbal Ganji**

**Whole Time Director**

**DIN: 02236203**

**Date: 03/09/2019**

**Place: Mumbai**

**NOTE:**

- Explanatory Statement pursuant to Provision of Section 102 of the Companies Act, 2013 has been attached herewith.
- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on Poll his / her behalf and the proxy need not be a member of the company.  
Pursuant to the provisions of section 105 of the companies act, 2013, a person can act as a proxy on behalf of not more than fifty members in aggregate and holding in aggregate not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- All documents referred to in the notice and in the accompanying explanatory statement are open for inspection at the registered office of the Company during office hours on all working days, except Saturdays and holidays, between 11:00 a.m. and 01:00 p.m. up to the date of the AGM.
- Map to the venue of the AGM, as per the requirement of Secretarial Standard 2 is attached for the perusal of Members.
- In pursuance of the provisions of Section 108 of
- Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the AGM.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Members may also note that the Notice of the AGM will be available on the Company's website [www.libasdesignsltd.com](http://www.libasdesignsltd.com).
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).
- The Ministry of Corporate Affairs (MCA), Government of India, vide its circular nos. 17/2011, 18/2011, dated April 21, 2011 and April 29, 2011 and respectively, has allowed companies to send official documents to their shareholders electronically and also as part of its green initiative in Corporate Governance. Hence, the Notice of the AGM along with the Attendance Slip and Proxy form, are being sent by electronic mode to all members whose email address are registered with the Company / Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email address, physical copies of the documents are being sent

the Act and the rules framed there under, as amended from time to time, the Company is exempted from giving the members the facility to cast their vote electronically. Voting through permitted mode under the Companies Act, 2013 will be allowed at the venue of Annual general Meeting.

- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during business hours of the company, provided that not less than three days of notice is given in writing to the company.

#### **KIND ATTENTION OF THE MEMBERS HOLDING SHARES IN PHYSICAL FORM**

- SEBI HAS MANDATED SUBMISSION OF PERMANENT ACCOUNT NUMBER (PAN) AND BANK DETAILS BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS.

- MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.

SECURITIES OF LISTED COMPANIES WOULD BE TRANSFERRED IN DEMATERIALIZED FORM ONLY, EFFECTIVE FROM MARCH 31, 2019. IN VIEW OF THE SAME MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDINGS TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES AND FOR EASE OF PORTFOLIO MANAGEMENT.

MEMBERS CAN CONTACT THE COMPANY'S RTA FOR ASSISTANCE IN THIS REGARD AT FOLLOWING ADDRESS:

by permitted mode.

- The Company's Registrar and Transfer agent for its Share Registry Work (Physical and Electronic ) is Big Share Service Private limited (herein after referred to as "Company 's registrar and transfer agent ")

- The Register of Members and share transfer books of the Company shall remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive)

- Members desirous of getting any information about the company are requested to write to the company at least seven days in advance of the meeting, so that information can be kept ready at the Meeting.

- Additional information, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting is given at the end of the Notice

- The Company has an exemption For providing E-voting facilities to the Members of the Company.

- The Board of Directors has, at their meeting held on September 03, 2019, appointed M/s. JMJA & Associates LLP, Practising Company Secretaries to act as the Scrutinizers for scrutinizing the voting to be conducted at the Annual General Meeting of the Company as per the provisions of the Companies Act, 2013.

Bigshare Services Private Limited  
UNIT: Libas Designs Limited  
1st Floor, Bharat Tin Works Building, Opp. Vasant  
Oasis, Makwana Road, Marol, Andheri (E), Mumbai  
– 400 059;

Tel: +91 – 22 – 62638200; Fax: +91 – 22 –  
62638299;

Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Information of Directors seeking appointment /re- appointment at ensuing 15<sup>th</sup>Annual General Meeting of the Company.**

Mr. Riyaz Ganji, (DIN: 02236203) is appointed as a Director w.e.f. November 10, 2004. He has attained the age of 70 years. As per provisions of Section 196 of the Companies Act, 2013 read with the relevant rules, and considering the valuable services by Mr. Riyaz Ganji, (DIN: 02236203), it is advisable that company gains maximum out of his knowledge and expertise.

Further, his appointment has been recommended by the NRC and the Board. The aforesaid resolution requires a Special Resolution from the Shareholders and hence, the Company is seeking your approval.

Mrs. Reshma Ganji is deemed to be concerned or interested in the resolution other than her none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 3 of the Notice of Annual General Meeting. Mr. Riyaz Ganji, (DIN: 02236203) is not related to any Director of the Company except Mrs. Reshma Ganji being the wife of Mr. Riyaz Ganji.

**DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED AT THE FORTHCOMING AGM AS REQUIRED BY REGULATION 26 AND REGULATION 36(3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS – 2)**

<b>Name of Director</b>	Mr. Riyaz Ganji	Mr. Nishant Mahimtura
<b>Age</b>	48 years	71 Years
<b>Date of First Appointment</b>	November 10, 2014	November 10, 2014
<b>Qualification</b>		Bachelor of Science from University of Bombay
<b>Profile and Expertise</b>	He is having rich experience of more than 20 years in the textile industry.	Mr. Nishant Mahimtura is the Promoter and Director of our Company. He is Bachelor of Science from University of Bombay and also holds a Diploma in Marketing and Advertising. Having more than 45 years of experience in the fields of Marketing and Finance, he looks after strategic planning, marketing and managing the finance & accounts of Libas Designs Limited.
<b>Terms and conditions of appointment / re-appointment</b>	Director liable to retire by rotation	Director liable to retire by rotation
<b>Relationship with other Directors, Manager and Key Managerial Personnel</b>	Mrs. Reshma Ganji (wife)	Nil
<b>No. of Board Meetings attended during the year</b>	10	10
<b>Number of shares held in the Company, Individually or Jointly</b>	18,73,350	30,78,000
<b>Directorship and Committee memberships (Excluding Libas Designs Limited)</b>	1. Directorships held in other Companies: a) Golden Bricks Infrastructure Private Limited b) Reserve Wines	1. Directorships held in other Companies: a) Golden Bricks Infrastructure Private Limited b) Reserve Wines Private

	Private Limited	Limited
	2. Chairman of Board Committees: Nil	2. Chairman of Board Committees: Nil
	3. Member of Board Committees: Nil	3. Member of Board Committees: Nil

**For and on the behalf of,  
LIBAS DESIGNS LIMITED**

**Sd/-**

**Riyaz Eqbal Ganji  
Whole Time Director  
DIN: 02236203**

**Date: 03/09/2019**

**Place: Mumbai**

## DIRECTORS' REPORT

To,  
The Members,  
Libas Designs Limited,

Your Directors are pleased to present before you the 15<sup>th</sup> Boards' Report for the Company, for the financial year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL PERFORMANCE

The financial highlights (**standalone**) of the Company for the year ended March 31, 2019 are presented below:-

Particulars	For the year ended 31.03.2019 (Rs.)	For the year ended 31.03.2018 (Rs.)
Revenue from operations	51,76,50,638	44,08,06,877
Other income	16,92,893	73,61,386
Gross Income	51,93,43,531	44,81,68,263
Expenses	46,99,64,754	40,74,23,679
Profit/(Loss) before Tax	4,93,78,777	4,07,44,584
Less: Current Tax	1,37,50,000	1,15,00,000
Less: Deferred tax	1,97,640	1,33,778
<b>Net Profit for the year</b>	<b>3,54,31,137</b>	<b>2,91,10,806</b>

### 2. OPERATIONS AND FUTURE OUTLOOK OF THE COMPANY

During the year under review the Profit before taxation stood at **Rs. 46,99,64,754/-** as against **Rs. 40,74,23,679/-** in the previous year and Profit available for appropriation after providing for taxation stands at **Rs. 3,54,31,137/-** as against **Rs. 2,91,10,806/-** in the previous period.

Your company continued to focus on new client acquisition along with deepening the existing ones.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the Financial Year in review, there was no change in the nature of the business carried out by the Company.

**4. SHARE CAPITAL STRUCTURE OF THE COMPANY**

During the year there has been an increase in the Authorized Share Capital and Paid up Equity Share Capital of the Company due to equity shares being allotted to eligible shareholders under Bonus Issue. The Authorized Share Capital and Paid up Share Capital of the Company as at March 31, 2019 is Rs. 12, 00, 00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) Equity Shares of Rs. 10 each and Rs. 11,25,00,000/- (Rupees Eleven Crores Twenty Five Lakhs only) divided into 1,12,50,000 (One Crore Twelve Lakhs Fifty Thousand) Equity shares of Rs. 10 each respectively.

**A) Issue of equity shares with differential rights**

Your Company had not issued equity shares with differential rights as required to be disclosed in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014, during the year under review.

**B) Issue of sweat equity shares**

Your Company had not issued sweat equity shares as require to be disclosed under rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the year under review.

**C) Issue of employee stock**

Your Company had not issued employee stock option as required to be disclosed under rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, during the year under review.

**5. DIVIDEND**

Your Directors have considered it financially prudent in the long-term interests of the Company to not declare dividend for current year.

**6. TRANSFER TO RESERVES**

The Company transferred Rs. 3, 54, 31,137/- to Reserves and Surplus account during the financial year ending March 31, 2019.

**7. ACCOUNTING STANDARD AND FINANCIAL STATEMENTS**

The Financial Statements of the Company are prepared in accordance with Accounting Standards, issued by the Institute of Chartered Accountants of India, which forms part of this Annual report.

## 8. INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA) notified its phase-wise roadmap for the adoption of Indian Accounting Standards (Ind AS), converged with the International Financial Reporting Standards (IFRS) vide its notification dated February 16, 2015, announcing the Companies (Indian Accounting Standards) Rules, 2015, for the application of IND AS. Accordingly, your Company has adopted Ind AS.

Your Company believes in highest standards of Corporate Governance and recognizes that Financial Statements are an important source of information to the Shareholders and other stakeholders.

## 9. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### i. Composition of Board

The Composition of the Board & Key Managerial Personnel is as follows:

Name of the Director	DIN/PAN	Designation	Category	Date of Appointment	No. of Board Meeting held during the year	No. of Board Meeting attended during the year
Mr. Anand Taggarsi	06959365	Director	Non-Executive Independent	21/09/2016	10	7
Mr. Nishant Mahimtura	02000572	Director	Promoter Executive	10/11/2004	10	10
Mr. Nishant Mahimtura	AACPM1240J	CFO	Chairman	21/09/2016	10	10
Mrs. Reema Varde	07604537	Director	Non-Executive Independent	21/09/2016	10	5
Mrs. Reshma Ganji	07576582	Managing Director	Promoter Executive	26/07/2016	10	8
Mr. Riyaz Ganji	02236203	Wholetime Director	Promoter Executive	10/11/2004	10	10
Mr. Vivek Kamath	07239860	Director	Non-Executive	21/09/2016	10	3

			Independent			
Ms. Raashi Singhi	ERRPS8374F	Company Secretary & Compliance Officer	KMP	14/11/2018	10	

The disclosures pertaining to the Equity Shares held and the Remuneration received by the Directors and Key Managerial Personnel's during the Financial Year 2018-19 are disclosed in **(MGT-9 as ANNEXURE - I)** which forms a part of this Report.

**ii. Appointment**

During the year under consideration, Ms. Raashi Singhi was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. November 14, 2018 and Mr. Govind Rao has resigned as a Company Secretary and Compliance Officer w.e.f. July 31, 2018.

**iii. Change in Designation:**

During the year there were no changes in designation of the Directors and KMP.

**iv. Retirement by rotation and subsequent re-appointment**

In accordance with the provisions of section 152(6) of the Companies Act, 2013 and Companies Articles of Association Mr. Riyaz Ganji is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, to offer himself for re-appointment by stating his willingness to be re-appointed at this Annual General Meeting.

Further, Mr. Nishant Mahimtura has attained the age of 70 years and looking at his valuable contribution, his reappointment has been proposed to the Members of the Company in the notice.

The complete details and disclosures pertaining to the qualification, experience, education and other details as required under the Companies Act, 2013, Secretarial Standards-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Notice to the Annual General Meeting for the Directors seeking appointment/reappointment.

**10. Listing Fee**

The Company has paid the applicable listing fee to the National Stock Exchange of India Limited for the Financial Year 2019-20.

## **11. AUDITORS**

### **i. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. JMJA & Associates LLP., Practicing Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2018-19, to undertake the Secretarial Audit of the Company.

The **Secretarial Audit Report in form MR-3 (Annexure IV)** is presented separately and forms part of this report.

### **ii. Statutory Auditors**

M/s. Jain Jagawat Kamdar & Co, Chartered Accountants (ICAI Firm Registration No. 122530W), who are the Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of five years at the Annual General Meeting of the Company held on September 28, 2017 subject to ratification of their appointment by the Members at every intervening Annual General Meeting held thereafter. The requirement of seeking ratification of the Members for continuance of their appointment has been withdrawn consequent upon changes made by the Companies (Amendment) Act, 2017. Hence, the resolution seeking ratification of the Members for their appointment is not being placed at the ensuing Annual General Meeting

The Auditor's Report to the shareholders on standalone and consolidated financials for the year ended March 31, 2019 is presented separately and forms part of this report and has certain qualification, observation or adverse comments. During the year under review, the Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013. The Notes to Accounts referred to in the Auditor's report are self-explanatory and do not require any further comments.

### **iii. Internal Auditor**

Pursuant to the provisions of Section 138 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder M/s. V. A. Mishra & Associates, Chartered Accountant (Registration No. 106435W) appointed/continue to act as Internal Auditors of the Company for the Financial Year 2018-19.

## **12. REPLY TO THE COMMENTS IN THE AUDITORS' REPORT AND SECRETARIAL AUDITOR'S REPORT**

1. The outstanding amount of disputed TDS has been paid by the Company.
2. Disputed/outstanding amount of provident fund, ESIC is targeted to be paid before the conclusion of ensuing AGM.

3. The re-appointment of Mr. Nishant Mahimtura, (DIN: 02000572) as an Executive Director is proposed to be ratified upon completion of seventy years by the shareholders of the Company at the forthcoming AGM.

### **13. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

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

### **14. DECLARATION BY INDEPENDENT DIRECTORS**

Necessary declarations have been obtained from all the Independent Directors that they meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of SEBI LODR Regulations.

### **15. BOARD AND COMMITTEE MEETINGS**

The Board of Directors meets at regular intervals to discuss the business and compliance matters of the Company. The details of the Meetings of the Board of Directors and the Committees of the Board of Directors and their respective constitution are stated in the **Corporate Governance Report (Annexure III)** attached which form part of this Board's Report.

The Company Secretary of the Company is the Secretary to each of these Committees. Separate Meeting of Independent Directors is conducted during every Year, in terms of the requirements of

Schedule IV to the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Further, the Board of Directors have adopted various policies on the functioning and running of the Board of Directors as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which are also available on the website of the Company.

## **16. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) the Board has carried out an annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board.

At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. A structured questionnaire, each in line with the circular issued by SEBI, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for doing the required evaluation, after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority Shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Independent Directors fulfill the criteria of independence and they are independent of management. The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

## **17. PUBLIC DEPOSITS**

Your Company has neither invited nor accepted/renewed any "Deposit" from the public within the meaning of the term "Deposits" under the Companies (Acceptance of Deposits) Rules, 2014 made under Chapter V read with Section 73 and 76 of the Companies Act, 2013 as amended from time to time and accordingly no disclosures are required in this regard.

## **18. CORPORATE GOVERNANCE**

The company is committed to maintain highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow the principles of good corporate governance and the board of directors lays strong emphasis on transparency, accountability and integrity.

As required by Regulation 24 of the SEBI (LODR) Regulation, 2015 a detailed Corporate Governance Report is given separately which forms part of this Annual Report.

#### **19. EXTRACT OF ANNUAL RETURN**

The details of extracts of Annual Return in Form MGT-9, as required under section 92 of the Companies Act, 2013 are enclosed as **Annexure I** and forming an integral part of this Report.

#### **20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT**

During the year under review, the Company has invested in Ajman Media City, a subsidiary in the UAE. The details have been mentioned in the financial statement with respect to the same.

#### **21. RELATED PARTY TRANSACTIONS**

All contracts/ arrangements/ transactions entered into by the Company during the financial year with the related parties are on arm's length basis and in the ordinary course of business. During the financial year, there was no material contracts or arrangements entered into by the Company with any of the related party. Your Directors draw attention of the members to Note No.30 to the financial statement, which contain particulars with respect to related parties. The policy on dealing with the related party transactions as approved by the Board of Directors is disclosed on the website of the Company.

Particulars of contracts or arrangement with related parties referred to in section 188(1) of the Companies Act, 2013 in the prescribed form **AOC-2** is appended as **(Annexure II)** to the Board Report.

#### **22. WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

Your Directors inform the members that with the objective of pursuing the business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior and to encourage and protect the employees who wish to raise and report their genuine concerns about any unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct, the Company has adopted a Whistle Blower Policy. The policy has been disclosed on the website of the Company

#### **23. SUBSIDIARY, ASSOCIATES OR JOINT VENTURE**

During the year 2018-19, the Company has incorporated a Wholly Owned Subsidiary viz. 'Libas Designs FZE LLC' at Ajman Media City, Dubai for the purpose of conducting distribution business in Ajman, Dubai. The Company was incorporated on December 25, 2018.

#### **24. NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration committee has put in a place the policy on board diversity for appointment of directors taking into consideration qualification and wide experience of the

directors in the field of banking, finance, regulatory, administration, legal, commercial vehicle segment apart from compliance of legal requirements of the company. The company has laid down remuneration criteria for directors, key managerial personnel and other employees in the Nomination and Remuneration Committee.

The policy, inter-alia includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of directors, KMP and senior management.

The Policy is also available on company's website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com).

## **25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)**

In accordance with the Listing regulations, the Management Discussion and Analysis report which forms part of the annual Report.

## **26. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Company has in place adequate internal financial control systems, commensurate with the size, scale and complexity of its operations. The Company has appropriate policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, the timely preparation of reliable financial information. During the year under review, the Company has not come across any incidence of fraud. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, the respective departments undertake corrective action in their respective areas and thereby strengthen the controls.

## **27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS OPERATIONS DURING THE YEAR UNDER REVIEW**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company and its operations during the year under review.

## **28. MATERIAL CHANGES & COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes & commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

**29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, REDRESSAL) ACT, 2011**

Your Company endeavors to provide a harmonious working environment for female employees and has adopted a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the year, no such complaints were received.

No. of complaints filed during the financial year: NIL

No. of complaints disposed of during the financial year: Nil

No. of complaints pending as on end of the financial year: Nil

**30. COMMITTEES OF BOARD**

Currently, the board has six committees:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholder Relationship Committee,
4. Investment Committee and
5. Executive Committee
6. Corporate Social Responsibility Committee

A detailed note on board composition and its committees is provided in the **Corporate Governance report (Annexure-III)**.

**31. RISK MANAGEMENT POLICY**

The Company being an NSE SME Listed Company as on March 31, 2019 was not mandatorily required to formulate a Risk Management Policy as per Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

However, the Company migrated to Main Board of NSE w.e.f. from July 23, 2019 and as a result has adopted the risk management policy which aimed at creating and protecting shareholders value by minimizing threats and losses and identifying and maximizing opportunities. Your Directors periodically review the risks associated with the business or which threaten the prospects of the Company

**32. CODE OF CONDUCT AND PREVENTION OF INSIDER TRADING**

In compliance with the SEBI regulation on Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders, the Company has instituted a comprehensive code of conduct for its management staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of Libas and cautions them on consequences of violations. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the ethical standards of dealing in company securities.

The insider trading policy of the company covering code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com).

### **33. INVESTORS' RELATION AND GRIEVANCES**

During the Year under review, the Company has not received any Complaint/Grievance from the Investors of the Company. The Company has a dedicated e-mail address [cs@libas.co.in](mailto:cs@libas.co.in) for communication with the Investors. Further, a section for Investors, with details of the Annual Reports, Financial Statements, Communications to Stock Exchanges and other necessary information is available on the website of the Company on [www.libasdesignsltd.com](http://www.libasdesignsltd.com). The Company is registered on the website of SEBI Complaint Redressal System (SCORES).

### **34. PARTICULARS OF EMPLOYEES**

The details of the Remuneration drawn by the Whole Time Executive Directors and Managing Director and Independent Directors are stated in the **Corporate Governance Report (Annexure-III)**, other information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Details pertaining to Remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as part of this Report.

### **35. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The information pursuant to section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is as follows:

- a. The company has no activity involving conservation of energy or technology absorption.
- b. There is no foreign exchange earnings and outgo.

### **36. CORPORATE SOCIAL RESPONSIBILITY**

Since Section 135 of Companies Act' 2013 and Rules made there under is not applicable, hence no meeting were conducted during the year.

### **37. HUMAN RESOURCES MANAGEMENT**

Your Company recognizes that people play a key role in gaining competitive advantage in our industry. Your Company is focused on creating the right working environment for our people to excel.

Your Company will continue to work towards improving all aspects of our people practices to be counted among the Great Places to Work.

The key pillars of success at Libas Designs Limited from a Human Capital perspective are:

- Ensuring we have the right people in every role
- Driving scalable processes to enhance ROI
- Creating a culture of learning and Execution

Human Resources plan was executed in line with the target set at the beginning of the year.

**38. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

**39. ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank Customers, Members, Suppliers, Bankers, Business Partners/Associates, Central and State Governments for their consistent support and co-operation extended to the Company. We also acknowledge the significant contribution made by the employees by their dedication and hard work and trust reposed on us. We look forward to have the same support in our endeavor to help the Company to grow faster.

**For and On Behalf of the Board**

Sd/-  
**Reshma Riyaz Ganji**  
**Managing Director**  
**DIN: 07576582**  
**Place: Mumbai**  
**Date: 03/09/2019**

Sd/-  
**Riyaz Eqbal Ganji**  
**Whole time Director**  
**DIN: 02236203**  
**Place: Mumbai**  
**Date: 03/09/2019**

**ANNEXURE I**

**FORM NO.MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2019**

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

**I. REGISTRATION AND OTHER DETAILS**

<b>i.</b>	CIN	<b>L18101MH2004PLC149489</b>
<b>ii.</b>	Registration Date	10/11/2004
<b>iii.</b>	Name of the Company	<b>LIBAS DESIGNS LIMITED</b>
<b>iv.</b>	Category/Sub-category of the Company	Public Limited Company / Limited by Shares
<b>v.</b>	Address of the Registered office and contact details	401, 4th Floor, Crescent Royale, Off New Link Road Lokhandwala Complex, Andheri (West) Mumbai, Maharashtra- 400053 Phone: 022-66996568/ +91 9928099603 Website - <a href="http://www.libasdesignsltd.com">www.libasdesignsltd.com</a> Email: <a href="mailto:accounts@libas.co.in">accounts@libas.co.in</a> , <a href="mailto:cs@libas.co.in">cs@libas.co.in</a>
<b>vi.</b>	Whether listed company	Listed on National Stock Exchange of India Limited
<b>vii.</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai – 400 059; Tel: +91 – 22 – 62638200; Fax: +91 – 22 – 62638299; Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> ; Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of wearing apparel n.e.c.	14109	100%

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	Libas Designs FZE LLC, Ajman Media City, Dubai	NA	Wholly owned subsidiary	100%	NA

**IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. CATEGORY-WISE SHAREHOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during They ear
	Demat	Ph ysi cal	Total	% of Total Shares	Demat	Phy sical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	50,22,000	0	50,22,000	66.96	74,12,001	0	74,12,001	65.88	-1.08
b) CentralGovt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Subtotal (A)(1):-	50,22,000	0	50,22,000	66.96	74,12,001	0	74,12,001	65.88	-1.08
<b>2) Foreign</b>									
g) NRIs- Individuals	0	0	0	0	0	0	0	0	0
h) Other- Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub- total(A)(2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	50,22,000	0	50,22,000	66.96	74,12,001	0	74,12,001	65.88	-1.08

**B. Public Shareholding**

<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	1,84,000	0	1,84,000	2.45	2,22,000	0	2,22,000	1.97	-0.48
(ii)Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	7,95,000	0	7,95,000	10.60	8,40,249	5000	8,45,249	7.51	-3.09

(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakhs	1343000	0	1343000	17.91	2554750	0	2554750	22.71	+4.80
<b>c) Others (specify)</b>									
NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
Employee Trusts	0	0	0	0	0	0	0	0	0
Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
Any Other (Clearing Member)	90,000	0	90,000	1.2	1,26,000	0	1,26,000	1.12	-0.08
Any Other (Non Resident Indians)	66000	0	66000	0.88	90000	0	90000	0.80	-0.08
Sub-total(B)(2)	24,78,000	0	24,78,000	33.04	38,32,999	5000	38,37,999	34.12	1.08
Total Public Shareholding (B)=(B)(1)+(B)(2)	24,78,000	0	24,78,000	33.04	38,32,999	5000	38,37,999	34.12	1.08
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	75,00,000	0	75,00,000	100.00	1,12,45,000	5000	1,12,50,000	100.00	0.00

ii. SHAREHOLDING OF PROMOTER

Sl No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nishant Mahimtura	20,60,000	27.46	-	30,78,000	27.36	-	-0.10
2	Riyaz Ganji	12,48,900	16.65	-	18,73,350	16.65	-	0.00
3	Pushpalatha S Shetty	68,000	0.90	-	99,000	0.88	-	-0.02
4	Suchitra Mahimtura	3,50,000	4.67	-	4,25,000	3.78	-	-0.88
5	Reshma Ganji	12,35,100	16.46	-	18,52,651	16.46	-	0.00
6	Seetharam K Shetty	60,000	0.80	-	84,000	0.75	-	-0.05
	<b>Total</b>	<b>50,22,000</b>	<b>66.96</b>	<b>-</b>	<b>7412001</b>	<b>65.88</b>	<b>-</b>	<b>-1.07</b>

There has been change in number of shareholding of Promoters due to Bonus issue of shares.

**iii. CHANGES IN PROMOTERS SHAREHOLDING**

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Mr. Nishant Mahimtura</b>				
	At the beginning of the year	20,60,000	27.46	20,60,000	27.46
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares purchased on 12/10/2018	10,30,000		30,90,000	
	Shares sold on 30/11/2018	(1,00,000)		29,90,000	
	Shares purchased on 18/01/2019	42,000		30,32,000	
	Shares purchased on 01/02/2019	40,000		30,72,000	
	Shares purchased on 22/02/2019	6,000		30,78,000	
	At the end of the year	30,78,000	27.36	30,78,000	27.36

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2	<b>Mr. Riyaz Ganji</b>				

	At the beginning of the year	12,48,900	16.65	12,48,900	16.65
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Shares purchased on 12/10/2018	6,24,450		18,73,350	
	At the end of the year	18,73,350	16.65	18,73,350	16.65

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
3	Mrs. Reshma Ganji				
	At the beginning of the year	12,35,100	16.46	12,35,100	16.46
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares purchased on 12/10/2018	6,17,551		18,52,651	16.46
	At the end of the year	18,52,651	16.46	18,52,651	16.46

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
4	<b>Mrs. Pushpalatha S Shetty</b>				
	At the beginning of the year	68,000	0.90	68,000	0.90
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares sold on 11/05/2018	(2000)		66,000	
	Shares purchased on 12/10/2018	33,000		99,000	
	At the end of the year	99,000	0.88	99,000	0.88

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
5	<b>Mr. Seethatram K Shetty</b>				
	At the beginning of the year	60,000	0.80	70,000	0.93
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				

	Shares sold on 27/04/2018	(4000)		56,000	
	Shares purchased on 12/10/2018	28,000		84,000	
	At the end of the year	84,000	0.75	84,000	0.75

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
6	Mr. Suchitra Mahimtura				
	At the beginning of the year	3,50,000	6.36	3,50,000	6.36
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares purchased on 12/10/2018	1,75,000		5,25,000	
	Shares sold on 29/03/2019	(1,00,000)		4,25,000	
	At the end of the year	4,25,000	3.78	4,25,000	3.78

**iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)**

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total shares of the company
1.	Yatin B Shah				
	At the beginning of the year	3,27,500	2.91	3,27,500	2.91
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 12/10/2018	163750	1.46	4,91,250	4.37
	At the end of the year (or on the date of separation, if separated during the year)	4,91,250	4.37	4,91,250	4.37
Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total share of the company
2.	Devrath Bakebihari Choursiya				
	At the beginning of the year	1,70,000	1.51	1,70,000	1.51

	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 12/10/2018	85,000	0.76	2,55,000	2.27
	At the end of the year (or on the date of separation, if separated during the year)	2,55,000	2.27	2,55,000	2.27
<b>Sr.No. Name Shareholding at the beginning of the Year Cumulative Shareholding during the year</b>					
<b>3.</b>	<b>Jyotivardhan Jaipuria</b>	<b>No. of shares</b>	<b>% of total share of the company</b>	<b>No. of shares</b>	<b>% of total share of the company</b>
	At the beginning of the year	1,48,000	1.32	1,48,000	1.32
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 12/10/2018	74,000	0.65	2,22,000	1.97
	At the end of the year (or on the date of separation, if separated during the year)	2,22,000	1.97	2,22,000	1.97
<b>Sr.No. Name Shareholding at the beginning of the Year Cumulative Shareholding during the year</b>					

<b>4.</b>	<b>Manisha Gupta</b>	<b>No. of shares</b>	<b>% of total share of the company</b>	<b>No. of shares</b>	<b>% of total share of the company</b>
	At the beginning of the year	1,27,500	1.13	1,27,500	1.13
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 12/10/2018	63750	0.57	1,91,250	1.70
	At the end of the year (or on the date of separation, if separated during the year)	1,91,250	1.70	1,91,250	1.70
<b>Sr.No.</b>					
<b>Name</b>		<b>Shareholding at the beginning of the Year</b>		<b>Cumulative Shareholding during the year</b>	
<b>5.</b>	<b>Sushil Agarwal - HUF</b>	<b>No. of shares</b>	<b>% of total share of the company</b>	<b>No. of shares</b>	<b>% of total share of the company</b>
	At the beginning of the year	62,000	0.55	62,000	0.55
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 20/04/2018	14,000	0.13	76,000	0.68
	Transfer of shares on	10,000	0.08	86,000	0.76

	06/07/2018				
	Transfer of shares on 12/10/2018	43,000	0.39	129,000	1.15
	At the end of the year (or on the date of separation, if separated during the year)	129,000	1.15	129,000	1.15

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Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total share of the company
6.	Sarda Madhusudan				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 11/01/2019	1,02,000	0.91	1,02,000	0.91
	At the end of the year (or on the date of separation, if separated during the year)	1,02,000	0.91	1,02,000	0.91

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Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of shares	% of total share of the company	No. of shares	% of total share of the company
7.	Umang Kajaria				
	At the beginning of the year	54,000	0.48	54,000	0.48

	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 14/09/2018	14,000	0.12	68,000	0.60
	Transfer of shares on 12/10/2018	34,000	0.31	102,000	0.91
	Transfer of shares on 31/12/2018	(6,000)	(0.06)	96,000	0.85
	Transfer of shares on 04/01/2019	(6,000)	(0.05)	90,000	0.80
	At the end of the year (or on the date of separation, if separated during the year)	90,000	0.80	90,000	0.80
Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
8.	Prayas Securities Pvt. Ltd.	No. of shares	% of total share of the company	No. of shares	% of total share of the company
	At the beginning of the year	88,000	0.78	88,000	0.78
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 13/04/2018	(8,000)	(0.07)	80,000	0.71
	Transfer of shares on 20/04/2018	(4,000)	(0.03)	76,000	0.68

	Transfer of shares on 12/10/2018	38,000	0.33	114,000	1.01
	Transfer of shares on 11/01/2019	(1,02,000)	(0.90)	12,000	0.11
	At the end of the year (or on the date of separation, if separated during the year)	12,000	0.11	12,000	0.11
<b>Sr.No.</b>					
<b>Name</b>		<b>Shareholding at the beginning of the Year</b>		<b>Cumulative Shareholding during the year</b>	
<b>9.</b>	<b>Pune E Stock Broking Pvt Ltd - Client Account</b>	<b>No. of shares</b>	<b>% of total share of the company</b>	<b>No. of shares</b>	<b>% of total share of the company</b>
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 13/04/2018	2,000	0.02	2,000	0.02
	Transfer of shares on 20/04/2018	(2,000)	(0.02)	0	0.00
	Transfer of shares on 04/05/2018	2,000	0.02	2,000	0.02
	Transfer of shares on 11/05/2018	(2,000)	(0.02)	0	0.00
	Transfer of shares on 15/06/2018	18,000	0.16	18,000	0.16
	Transfer of shares on 22/06/2018	(4,000)	(0.04)	14,000	0.12
	Transfer of shares on 29/06/2018	12,000	0.11	26,000	0.23

	Transfer of shares on 07/07/2018	(2,000)	(0.02)	24,000	0.21
	Transfer of shares on 13/07/2018	(8,000)	(0.07)	16,000	0.14
	Transfer of shares on 20/07/2018	(12,000)	(0.10)	4,000	0.04
	Transfer of shares on 03/08/2018	(2,000)	(0.02)	2,000	0.02
	Transfer of shares on 10/08/2018	4,000	0.03	6,000	0.05
	Transfer of shares on 17/08/2018	12,000	0.11	18,000	0.16
	Transfer of shares on 24/08/2019	10,000	0.09	28,000	0.25
	Transfer of shares on 07/09/2018	8,000	0.07	36,000	0.32
	Transfer of shares on 14/09/2018	(30,000)	(0.27)	6,000	0.05
	Transfer of shares on 05/10/2018	3,000	0.03	9,000	0.08
	Transfer of shares on 12/10/2018	(3,000)	(0.03)	6,000	0.05
	Transfer of shares on 19/10/2018	(6,000)	(0.05)	0	0.00
	Transfer of shares on 02/11/2018	3,000	0.03	3,000	0.03
	Transfer of shares on 09/11/2018	(3000)	(0.03)	0	0.00
	Transfer of shares on 23/11/2018	3000	0.03	3,000	0.03
	Transfer of shares on 14/12/2018	(3000)	(0.03)	0	0.00
	Transfer of shares on 31/12/2018	3000	0.03	3,000	0.03
	Transfer of shares on 24/01/2019	9000	0.08	12,000	0.11

	Transfer of shares on 25/01/2019	15000	0.13	27,000	0.24
	Transfer of shares on 01/02/2019	(15000)	(0.13)	12,000	0.11
	Transfer of shares on 15/02/2019	21000	0.18	33,000	0.29
	Transfer of shares on 22/03/2019	9000	0.08	42,000	0.37
	Transfer of shares on 29/03/2019	78000	0.7	120,000	1.07
	At the end of the year (or on the date of separation, if separated during the year)	120,000	1.07	120,000	1.07
Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the company	No. of shares	% of total share of the company
10.	Vinod Fojmalji Kothari H.U.F				
	At the beginning of the year	36,000	0.32	36,000	0.32
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Transfer of shares on 27/07/2018	4000	0.04	40,000	0.36
	Transfer of shares on 03/08/2018	(2000)	(0.02)	38,000	0.34
	Transfer of shares on 07/09/2018	4000	0.03	42,000	0.37
	Transfer of shares on 12/10/2018	21000	0.19	63,000	0.56

	Transfer of shares on 01/02/2019	15000	9.13	78,000	0.69
	At the end of the year (or on the date of separation, if separated during the year)	78,000	0.69	78,000	0.69

**v. SHAREHOLDING OF DIRECTORS AND KMP**

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Mr. Nishant Mahimtura				
	At the beginning of the year	20,60,000	27.46	20,60,000	27.46
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares purchased on 12/10/2018	10,30,000		30,90,000	
	Shares sold on 30/11/2018	(1,00,000)		29,90,000	
	Shares purchased on 18/01/2019	42,000		30,32,000	
	Shares purchased on 01/02/2019	40,000		30,72,000	
	Shares purchased on 22/02/2019	6,000		30,78,000	
	At the end of the year	30,78,000	27.36	30,78,000	27.36

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2.	Mr. Riyaz Ganji				
	At the beginning of the year	12,48,900	16.65	12,48,900	16.65
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Shares purchased on 12/10/2018	6,24,450		18,73,350	
	At the end of the year	18,73,350	16.65	18,73,350	16.65

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
3.	Mrs. Reshma Ganji				
	At the beginning of the year	12,35,100	16.46	12,35,100	16.46
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	Shares purchased on 12/10/2018	6,17,551		18,52,651	
	At the end of the year	18,52,651	16.46	18,52,651	16.46

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
4.	Mr. Anand Taggarsi				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL			
	At the end of the year	0	0	0	0

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
5.	Mrs. Reema Varde				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL			
	At the end of the year	0	0	0	0

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
6.	Mr. Vivek Kamath				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL			
	At the end of the year	0	0	0	0

Sr.No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
7.	Ms. Raashi Singhi				
	At the beginning of the year	0	0	0	0
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL			
	At the end of the year	0	0	0	0

**V. INDEBTEDNESS**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	12,13,14,725	-	-	12,13,14,725
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>12,13,14,725</b>	<b>-</b>	<b>-</b>	<b>12,13,14,725</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	3,86,92,886	-	-	3,86,92,886
* Reduction		-	-	
<b>Net Change</b>	<b>3,86,92,886</b>	<b>-</b>	<b>-</b>	<b>3,86,92,886</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	16,00,07,611	-	-	16,00,07,611
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>16,00,07,611</b>	<b>-</b>	<b>-</b>	<b>16,00,07,611</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration To Managing Director, Whole Time Director and/or Manager**

Sr.No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Managing Director – Mrs. Reshma Ganji	Wholetime Director - Mr. Riyaz Ganji	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	24,00,000	24,00,000	48,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	
2	Stock option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	• as % of profit	-	-	
	• others (specify)	-	-	
5	Others, please specify	-	-	
	<b>Total (A)</b>	24,00,000	24,00,000	48,00,000
	<b>Ceiling as per the Act</b>			

**B. REMUNERATION TO OTHER DIRECTORS**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u>		
	·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL
	Total(1)	NIL	NIL
	Other Non-Executive Directors		
	· Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL
	Total(2)	NIL	NIL
	Total(B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per Act		

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Company Secretary (Ms. Raashi Singhi)	Company Secretary (Mr. Govind Rao)	CFO (Mr. Nishant Mahintura)	Total
1.	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	77,756	80,000	6,00,000	7,57,756
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total	-	77,756	80,000	6,00,000	7,57,756

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>A. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>B. Other Officers In Default</b>					
Penalty					
Punishment					
Compounding					

However, following penalties have been paid by the Company

Sr.No.	Action taken by	Details of violation	Details of action taken (Quantum of penalty imposed)	Observations/Remarks by the Company
1.	National Stock Exchange of India Limited (NSE Ltd.)	Delay in complying with Regulation 13(3) of SEBI LODR Regulations, 2015.	Fine of Rs. 2,360/- was levied against the Company.	Company paid the penalty and filed necessary compliance.
2.	National Stock Exchange of India Limited (NSE Ltd.)	not implementing the bonus issue within two months from the date of the meeting of its Board of Directors wherein bonus issue was approved.	Fine of Rs. 3,06,800/- was imposed against the Company.	Company paid the penalty and filed necessary compliance.

**For and on behalf of LIBAS DESIGNS LIMITED**

Sd/-

**RESHMA GANJI**

**(DIN- 07576582)**

**Managing Director**

**Date: September 03, 2019**

**Place: Mumbai**

Sd/-

**RIYAZ GANJI**

**(DIN- 02236203)**

**Whole-time Director**

**Date: September 03, 2019**

**Place: Mumbai**

**ANNEXURE II**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis**

Sr.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A
b)	Nature of contracts/arrangements/transaction	N.A
c)	Duration of the contracts/arrangements/transaction	N.A
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
e)	Justification for entering into such contracts or arrangements or transactions'	N.A
f)	Date of approval by the Board	N.A
g)	Amount paid as advances, if any	N.A
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

**2. Details of contracts or arrangements or transactions at Arm's length basis**

SL. No	Particulars	Details (1)	Details (2)	Details (3)
a)	Name (s) of the related party & nature of relationship	Smriti Industries	Mrs. Suchitra Mahimtura	Mr. Pawan Mahimtura

b)	Nature of contracts/arrangements/transaction	Commission paid to Enterprise under significant influence of key Management Personnel	Holding the office or place of profit in the Company.	Availed the Service and paid the Hire Charges
c)	Duration of the contracts/arrangements/transaction	1 year	1 Year	1Year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	NA	NA
e)	Date of approval by the Board	Approved by the Audit Committee & Board of Directors on May 29, 2018 as all transactions are in the ordinary course of business and at arm's length basis.	Approved by the Audit Committee & Board of Directors on May 29, 2018 as all transactions are in the ordinary course of business and at arm's length basis.	Approved by the Audit Committee & Board of Directors on May 29, 2018 as all transactions are in the ordinary course of business and at arm's length basis.
f)	Amount paid as advances, if any	NA	NA	NA

**For and On Behalf of the Board**

Sd/-  
**Reshma Ganji**  
Managing Director  
DIN: 07576582  
Place: Mumbai  
Date: 03/09/2019

Sd/-  
**Riyaz Ganji**  
Whole time Director  
DIN: 02000572  
Place: Mumbai  
Date: 03/09/2019

## ANNEXURE III

### CORPORATE GOVERNANCE REPORT

#### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Corporate governance is about maximizing shareholder's value legally, ethically and on sustainable basis, while ensuring fairness to every stakeholders, customers, employees, investors, vendors/partners and Governmental Authorities. Therefore, Corporate Governance is a reflection of a Company's culture, policies, and its relationship with the shareholders, and its commitment to values.

The Company strongly believes that establishing good Corporate Governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all the stakeholders. The Company always endeavours to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country.

A report on compliance with the principles of the Corporate Governance as on March 31, 2019 as prescribed by Regulation 34 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended from time to time with the stock exchanges is given below:

#### 2. BOARD OF DIRECTORS

##### a) **Composition of the Board**

As on March 31, 2019, the Board of Directors comprised of six members. The number of Independent directors on the Board is half of its strength and the Company meets the requirements of composition of the Board according to Regulation 17 of SEBI (LODR) Regulations, 2015. All Independent directors possess the requisite qualifications and are very experienced in their own fields. The composition is as under:

Name of the Directors	Category of Directors	Directorships in other Indian Public Limited Companies \$	No. of Other Board Committee(s) of which he is a Chairman/Member @		No. of Shares held in the Company as at 31.03.2019	List of Directorship held in other Listed Companies and Category of Directorship
			Member	Chairman		
Anand Taggarsi	Non-Executive Independent Director	1	-	2	-	Seya Industries Limited - Non-Executive Independent Director
Nishant Mahimtura	Executive Promoter Director	-	-	-	30,78,000	-
Reema Deepak Varde	Non-Executive Independent Director	-	-	-	-	-
Reshma Ganji	Executive Promoter Director	-	-	-	18,52,651	-
Riyaz Ganji	Executive Promoter Director	-	-	-	18,73,350	-
Vivek Kamath	Non-Executive Independent Director	-	-	-	-	-

@Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationships Committee in Indian Public Limited companies other than Libas Designs Limited

§ Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act.

**Notes:**

1. In terms of provisions of the Companies Act, 2013, Mrs. Reshma Ganji is related to Mr. Riyaz Ganji being his wife, except these, no director is related to any other director on the Board.
2. Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.

**b) Board Meetings and attendance of Directors**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each director to enable the Directors to take an informed decision.

- i. Ten Meetings of the Board of Directors were held during the year ended March 31, 2019. These were held on:
  1. May 29, 2018
  2. July 28, 2018
  3. September 06, 2018
  4. September 27, 2018
  5. November 14, 2018
  6. November 26, 2018
  7. December 22, 2018
  8. December 28, 2018
  9. January 23, 2019
  10. March 19, 2019
- ii. The attendance recorded for each of the Directors at the Board Meetings during the year ended on March 31, 2019 and of the last Annual General Meeting is as under:

Directors	No. of Board Meetings attended	Attendance at the Last AGM held on September 30, 2018.
Mr. Anand Taggarsari	7	No
Mr. Nishant Mahimtura	10	Yes

Mrs. Reema Varde	5	No
Mrs. Reshma Ganji	8	No
Mr. Riyaz Ganji	10	Yes
Mr. Vivek Kamath	3	No

**c) Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors**

The following skills / expertise / competencies required in the context of Company's businesses have been identified by the Board for it to function effectively viz.:

- (i) Business Strategy, Planning and Corporate Management
- (ii) Accounting & Financial Skills
- (iii) Marketing
- (iv) Communication, Advertising and Media
- (v) Corporate Governance
- (vi) Legal & Risk Management

These are available with the Board.

**d) Web link where familiarization programs imparted to independent directors is disclosed:**  
[www.libasdesignsltd.com](http://www.libasdesignsltd.com)

**e) Confirmation from the Board of Directors in context to Independent Directors:**

The Board of Directors has confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management. Also, independent directors have given declaration pursuant to Section 149 of the Companies Act, 2013.

**f) Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:**

No Independent Director has resigned before expiry of his/her tenure.

### **3. AUDIT COMMITTEE**

The Audit Committee acts as a link between Statutory Auditors and Internal Auditors and the Board of Directors.

The Audit Committee provides reassurance to the Board regarding the existence of an effective internal control environment that ensures:-

- Efficiency and effectiveness of operation;
- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures; And
- Compliance with all relevant statutes.

#### **Powers**

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference
- Seek any information it requires from any employee
- Obtain legal or other independent professional advice and
- Secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

#### **I. Term of Reference:**

The scope and function(s) of the Audit Committee are in accordance with the provisions of Section 177 of the act, the provisions of Regulation 18 of the SEBI (LODR) Regulation, 2015. Audit Committee is mainly entrusted with supervising and monitoring company's internal controls and financial reporting process amongst the other terms of reference which are explained below:

- Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Reviewing the adequacy of internal audit function, discussing with internal auditors any significant findings and follow-up thereon, reviewing with the management annual and half yearly financial statements before submission to the board for approval.
- Approval or subsequent modification of any transactions of the company with related parties.
- Review and monitor the auditors independence and performance and effectiveness of the audit processes, scrutiny of inter corporate loans and

investments, if any, evaluation of internal financial controls and risk management system; and reviewing the functioning of the Whistle Blower mechanism.

- To monitor the end use of funds raised through public offers and related matters.
- To oversee the financial reporting process and the disclosures of its financial information to ensure that the financial statement are correct sufficient and credible.
- To review with the management, the half yearly and yearly financial results before submission to the board for their approval.
- Matters required to be included in the directors responsibility statement to be included in the board report as per section 134 of the act.
- Changes if any in accounting policies and practices along with reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosures of the related party transactions.

## II. Composition:

The Company has complied with the requirements of Regulation 18 of the SEBI (Listing Obligation and disclosure requirements) Regulation 2015 as regards to the composition of the audit committee. The audit committee constituted as follows;

Name of the Member	Chairman/Member	Category
Mr. Anand Taggarji	Chairperson	Non Executive / Independent Director
Ms. Reema Varde	Member	Non Executive / Independent Director
Mr. Nishant Mahimtura	Member	Executive Promoter Director & CFO

The Company Secretary acts as the Secretary to the Committee. All the members of the Committee are financially literate and have accounting and financial management expertise.

## III. Meeting and Attendance during the year:

During the financial year 2018-19, two (2) meetings of the Audit Committee were held, the details of which are as follows:

Sr. No. of Meeting	Date of Meeting	Committee Strength	No. of members present
1.	May 29, 2018	3	3
2.	November 14, 2018	3	3

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### I. Terms of reference

- Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Devise a policy on Board Diversity.
- Evaluate and approve the appointment and remuneration of senior executives, including the Key Managerial Personnel, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits
- Establish key performance metrics to measure the performance of the Managing Director, Key Managerial Personnel and the executive team.
- Review and recommend to the Board the remuneration and commission to the Managing and Executive Directors and define the principles, guidelines and process for determining the payment of commission to Non-Executive Directors of the Company

**II. Composition:**

The Nomination and Remuneration Committee comprised of the following members as on March 31, 2019:

Name of the Member	Chairman/Member	Category
Mr. Anand Taggarsari	Member	Non Executive / Independent Director
Ms. Reema Varde	Chairperson	Non Executive / Independent Director
Mr. Vivek Kamath	Member	Non Executive / Independent Director

The Company Secretary acts as the Secretary to the Committee.

**III. Meeting and Attendance during the year:**

During the financial year 2018-19, one (1) meeting of the Nomination and Remuneration Committee were held, the details of which are as follows:

Sr. No. of Meeting	Date of Meeting	Committee Strength	No. of members present
1.	November 14, 2018	3	2

**IV. Performance evaluation criteria for independent Directors:-**

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of Independent Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concern being evaluated.

The criteria for performance evaluation are as follows:

Factor	Attributes
Role and Accountability	<p>Application of knowledge for rendering advice to Management for resolution of business issues</p> <p>Offer constructive challenge to Management strategies and proposals</p> <p>Active engagement with the Management and attentiveness to progress of decisions taken</p>
Objectivity	<p>Non-partisan appraisal of issues</p> <p>Own recommendations given professionally without tending to majority or popular views</p>
Leadership and initiative	<p>Heading Board sub- committees</p> <p>Supporting any function or identified initiative based on domain knowledge and experience</p>
Participation in and contribution to effective Board meetings	<p>Commitment to role and fiduciary responsibilities as a Board Member</p> <p>Attendance and active participation in Board and Committee meetings</p> <p>Proactive, strategic and lateral thinking</p>

## 5. REMUNERATION OF DIRECTORS

The Non executive Directors are not paid sitting fee for meetings of the board and committees of directors and commission, also there is no pecuniary relationship or transaction with the Non executive directors of the company.

The Company pays remuneration to its CFO and Managing Director, executive director by way of Salary and Perquisites and allowances.

No stock options were issued to Non-Executive Directors of the Company.

Criteria for making payments to Non- Executive Directors: The Company is not making payment to any Non-Executive Directors and hence, the criteria of making payment do not arise.

Following are the payments made to the Directors of the Company:

Name of the Director	Designation	Salary and perquisites	Commissions	Sitting fees	No of equity shares held
Riyaz Ganji	Whole time director	24,00,000	NIL	NIL	18,73,350
Reshma Ganji	Managing Director	24,00,000	NIL	NIL	18,52,651
Nishant Mahimtura	Director & CFO	6,00,000	NIL	NIL	30,78,000
Anand Taggarsi	Independent Director	NIL	NIL	NIL	NIL
Vivek Kamath	Independent Director	NIL	NIL	NIL	NIL
Reema Varde	Independent Director	NIL	NIL	NIL	NIL

Service Contract, Notice Period is as per Company's Policy.

## 6. STAKEHOLDER RELATIONSHIP COMMITTEE

### I. Term of Reference:

The scope and functions of the SRC are in accordance with the provisions of Section 178 of the Act, Regulation 20 of the SEBI Listing Regulations and Clause 49 of erstwhile Listing Agreement. The scope and functions of the SRC is as follows:

- To consider and resolve Redressal of shareholders and investors of the Company in respect of matters relating to transfer and transmission of shares, Non-receipt of Dividend/ Annual Report, delays in transfer of shares and Dematerialization/ re-materialization of shares etc.;
- To evaluate the performance of the Registrar and Transfer Agent of the Company;
- To review and approve the allotment of shares, approval of transfer or transmission of equity shares, debentures or any other securities;
- To allot securities of the Company from time to time;
- To issue duplicate certificates and new certificates on split/ consolidation/ renewal, etc.;
- To provide guidance and recommendations for providing Shareholder friendly services.

- To carry out any other function as may be required as per the provisions of the Act, applicable SEBI Regulations and Listing Agreement(s), as amended from time to time.

## II. Composition:

The Stakeholders Relationship Committee as on March 31, 2019 comprised of three (3) members:

Name of the Member	Chairman/Member	Category
Mr. Anand Taggarsi II. M	Member	Non Executive / Independent Director
Ms. Reema Varde T	Chairperson	Non Executive / Independent Director
Mr. Nishant Mahimtura T h	Member	Executive Promoter Director & CFO

The Company Secretary acts as a compliance officer to the Committee.

## III. Stakeholders' / Investors' Complaints:

The total number of complaints received and resolved during the year ended March 31, 2019 was NIL. There were no complaints outstanding as on March 31, 2019. Summary of Shareholder complaints received during the year under review is as follows:

No of complaints pending as on April 01, 2018	NIL
No of complaints received during the year	NIL
No of complaints resolved during the year	NIL
No of complaints pending as on March 31, 2019	NIL

IV. Meeting and Attendance during the year:

Sr. No. of Meeting	Date of Meeting	Committee Strength	No. of members present
1.	May 29, 2018	3	3
2.	November 14, 2018	3	3

7. GENERAL BODY MEETINGS

a. Location and time of the last three Annual General Meetings:

Year	AGM	Location	Day & Date	Time	No. of Special Resolution
2017-18	14 <sup>th</sup> AGM	Libas Designs Limited, 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 IN	Sunday, September 30, 2018	02:30 P.M.	NIL
2016-17	13 <sup>th</sup> AGM	LIBAS RIYAZ, GANJGJI, Shop No. 2, New Sujata Soc, Juhu Tara Road, Next To Maneckji Cooper Education Trust School, Santacruz, Mumbai-400049	Thursday, 28 <sup>th</sup> September, 2017	02:30 P.M	1
2015-16	12 <sup>th</sup> AGM	4B, Chandan Bldg, 62 Peddar Road, Mumbai-400026.	Tuesday, 30 <sup>th</sup> August, 2016	11: 00 AM	NIL

**b. Details of Postal Ballot(s) conducted during the Financial Year 2018-19:**

- 1) Following are details of the Special Resolution passed through Postal Ballot vide Postal Ballot Notice dated January 23, 2019:

Sr.No.	Particulars of Special Resolution	Date of Passing the Resolution	No. of Valid Votes Polled	No. of Votes – in Favour	No. of Votes – Against
1.	Special Resolution for Migration of Libas Designs Limited from NSE SME Platform to Main Board of NSE Ltd.	March 06, 2019	74,66,001	74,66,001	Nil

2) **Person who conducted the postal ballot exercise:**

The Company had appointed M/s JMJA & Associates LLP, Practicing Company Secretaries, Mumbai as the scrutinizer (“scrutinizer”) for conducting Postal Ballot process in a fair and transparent manner.

- 3) **Procedure for postal ballot:** The procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and rules made thereunder namely The Companies (Management and Administration) Rules, 2014.

**8. MEANS OF COMMUNICATION**

- For easy reference of the Shareholders, the half yearly results/ annual results, along with the Limited Review thereon, are made available on the website of the Company i.e. [www.libasdesignsltd.com](http://www.libasdesignsltd.com).
- Aforesaid results are also filed with the concerned Stock Exchanges simultaneously so as to enable them to display the results on their notice board/ website.
- During the year no press releases or presentations were made to the institutional investors or to the analysts.
- As the Company’s shares were listed on SME Emerge, it has got exemption with respect to clause 47 of the SEBI LODR, 2015.

**9. GENERAL SHAREHOLDER INFORMATION**

**a. Annual General Meeting to be held**

**Day, Date, Time and Venue:**

Day	:	Monday
Date	:	September 30, 2019
Time	:	12.00 PM
Venue	:	Libas Designs Limited, 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 IN

**b. Financial year : April 01, 2018 – March 31, 2019**

**c. Dates of Book Closure:** From Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive).

**d. Dividend Payment Date:** Your Directors have considered it financially prudent in the long-term interests of the Company to not declare dividend for current year.

**e. Stock Exchange related information:**

<b>Listing on Stock Exchanges:</b>	:	National Stock Exchange of India Limited. "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.
<b>Stock Code</b>	:	LIBAS
<b>ISIN No. for the Company's Listed Securities</b>	:	INE908V01012
<b>Listing fees</b>	:	The Company has paid the required Annual Listing Fees for the financial year 2019-20

f.

i. Market price Data:

Month & Year	NSE	
	High	Low
April 2018	125.85	101.10
May 2018	119.70	107.45
June 2018	109.20	89.05
July 2018	113.45	87.80
August 2018	101.90	86.50
September 2018	93.75	57.50
October 2018	58.90	43.30
November 2018	54.10	44.95
December 2018	61	48.90
January 2019	59.70	43.70
February 2019	57.35	51.80
March 2019	59.45	52

ii. Performance in comparison to broad based indices:

LIBAS V/S NSE NIFTY



**g. Suspension from trading:**

No Security of the Company has been suspended from trading on the stock exchange where they are listed.

**h. Registrar to the issue and Share Transfer Agents:**

The Company has appointed Bigshare Services Private Limited as its Share Transfer Agent for both physical and demat segments of Equity Shares. Below mentioned are the contact details of the RTA:

Bigshare Services Private Limited

**(UNIT: Libas Designs Limited)**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri (E), Mumbai – 400 059;

Tel: +91 – 22 – 62638200; Fax: +91 – 22 – 62638299;

Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

Website: [www.bigshareonline.com](http://www.bigshareonline.com);

SEBI Registration No.: MB / INR000001385;

Contact Person: Mr. Ashok Shetty.

**i. Share Transfer system:**

Share Transfer, Transmission and Duplicate issue of Shares in physical form are normally affected within a period of 15 days if receipt of documents complete in all respects. The Company has Bigshare Services Pvt. Ltd as Registrar and Share Transfer Agent which handles the Transfer, Transmission and Issue of Duplicate Share certificate within the aforesaid period from the lodgment of the documents.

**j. Distribution of Shareholding/Category-wise Shareholding pattern of the Company as on March 31, 2019.**

Category	No. of Shareholders	No. of Shares	% of Total Share as on March 31, 2019
Promoter & Promoter Group	6	74,12,001	65.8845
Public	274	38,37,999	34.1155
Non Promoter-Non Public	0	0	0
Shares underlying DRs	0	0	0

Shares held by Employee/ Trusts	0	0	0
<b>Total</b>	<b>280</b>	<b>1,12,50,000</b>	<b>100</b>

**k. Dematerialization of shares and liquidity:**

As on March 31, 2019, 1,12, 45,000 Equity Shares (99.95% of the total number of shares) are in demat form.

**l. Outstanding GDRs/ADRs/Warrants or any convertible instruments**

The Company has not issued any GDR's/ADR's, Warrants or any convertible instruments during the financial year 2018-19. Further, None of the Non- Executive Director holds any convertible instruments.

**m. Hedging of risk:**

The Company has a robust frame work in place to protect its interest from risks arising out of market volatility. Based on market intelligence and continuous monitoring, the procurement team is advised on appropriate strategy to deal with such market volatility. The Company does not have any exposure hedged during the financial year 2018-19.

**n. Plant Locations:**

<b>Location of the manufacturing units of the Company:</b>
Gala no :- 55 Sidhapura Industrial Estate, Masrani lane Near Halav Pool Kurla ( w ) Mumbai 400070
Gala no :- 62 Sidhapura Industrial Estate, Masrani lane Near Halav Pool Kurla ( w ) Mumbai 400070
A4 Gala no 103, Harihar Corporation, Survey No 106 Hissa No 5 PaikiDapode, Bhiwandi Maharashtra 421302

**o. Address for correspondence:**

<b>Name for investor related matter</b>	<b>Address</b>	<b>Telephone No.</b>	<b>Email id&amp; Website</b>
Mr. Suresh Tiwari Ms. Raashi Singhi	Libas Designs Limited, 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 IN	022-49767404 022-49767396	<a href="mailto:accounts@libas.co.in">accounts@libas.co.in</a> <a href="mailto:cs@libas.co.in">cs@libas.co.in</a> <a href="http://www.libasdesignsltd.com">www.libasdesignsltd.com</a>

10. Further, the Company has no debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds (whether in India or abroad), during the relevant financial year. Thus, there are no credit ratings obtained the same.

## 11. OTHER DISCLOSURES

- a. During the financial year 2018-2019 there were no materially significant transactions entered into between the Company and its promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large. The Register of Contracts detailing the transactions as required under the Act is placed before the Board. Transactions with related parties are disclosed by way of Notes to the Accounts, which forms part of this Annual Report.

### b. Details of the Penalties imposed by SEBI:

Sr.No.	Action taken by	Details of violation	Details of action taken (Quantum of penalty imposed)	Observations/Remarks by the Company
1.	National Stock Exchange of India Limited (NSE Ltd.)	Delay in complying with Regulation 13(3) of SEBI LODR Regulations, 2015.	Fine of Rs. 2,360/- was levied against the Company.	Company paid the penalty and filed necessary compliance.
2.	National Stock Exchange of India Limited (NSE Ltd.)	not implementing the bonus issue within two months from the date of the meeting of its Board of Directors wherein bonus issue was approved.	Fine of Rs. 3,06,800/- was imposed against the Company.	Company paid the penalty and filed necessary compliance.

### c. Establishment of Vigil Mechanism/Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

- d. The Policy for determining 'material' subsidiaries is disclosed on website of the Company [www.libasdesignsltd.com](http://www.libasdesignsltd.com).
- e. The Policy on dealing with related party transactions is disclosed on website of the Company [www.libasdesignsltd.com](http://www.libasdesignsltd.com).
- f. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable
- g. **Details of the Recommendation of any committee of the board which is mandatorily required and not accepted by the Board:** The Board has adopted all the recommendation made by the committee.
- h. **Certificate from Practicing Company Secretary:**  
*The Company has obtained a certificate from JMJA & Associates LLP, Practicing Company Secretaries, that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority except Mr. Nishant Mahimtura, Executive Director, has crossed age of 70 years and prior approval from the Members have not been sought by way of special resolution for his re-appointment in previous years. However, in this ensuing AGM, his re-appointment has been placed before the Members for seeking their approval and ratifying the acts done as an Executive Director the said tenure.*
- i. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**  
Total fees for all services paid by the Company to the statutory auditor has been given in Notes to the financial statements.
- j. **Disclosure in relation of sexual harassment of women at workplace:**  
  
The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The details of complaints are as under:

No. of complaints filed during the financial year	Nil
No. of complaints disposed off during the financial year	Nil
No. of complaint pending as on end of the financial year	Nil

**k. Non-compliance of Corporate Governance report above, with the reasons thereof:**

The Company has generally complied with the Compliance Governance Report.

**l. Compliance Status of the requirements of Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of Listing Regulations is mentioned below:**

<b>I. Disclosure on website in terms of Listing Regulations</b>	
<b>Item</b>	<b>Compliance status (Yes/No/NA) refer note below</b>
Details of business	Yes
Terms and conditions of appointment of independent directors	NA since the Company is SME Listed. (see *Note below)
Composition of various committees of board of directors	NA since the Company is SME Listed. (see *Note below)
Code of conduct of board of directors and senior management personnel	NA since the Company is SME Listed.(see *Note below)
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	NA since the Company is SME Listed. (see *Note below)
Policy on dealing with related party transactions	NA since the Company is SME Listed. (see *Note below)
Policy for determining “material” subsidiaries	NA since the Company is SME Listed. (see *Note below)
Details of familiarization programmes imparted to independent directors	NA since the Company is SME Listed. (see *Note below)
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes

Shareholding pattern	Yes	
Details of agreements entered into with the media companies and/or their associates	NA	
New name and the old name of the listed entity	NA	
<b>II. Annual Affirmations</b>		
<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance status (Yes/No/NA)</b> refer note below
<i>Independent director(s) have been appointed in terms of specified criteria of "independence" and/or "eligibility"</i>	16(1)(b) & 25(6)	Yes
<i>Board composition</i>	17(1)	Yes
<i>Meeting of Board of directors</i>	17(2)	Yes
<i>Review of Compliance Reports</i>	17(3)	NA since the Company is SME Listed. (see *Note below)
<i>Plans for orderly succession for appointments</i>	17(4)	NA since the Company is SME Listed. (see *Note below)
<i>Code of Conduct</i>	17(5)	NA since the Company is SME Listed. (see *Note below)
<i>Fees/compensation</i>	17(6)	NA since the Company is SME Listed. (see *Note below)
<i>Minimum Information</i>	17(7)	NA since the Company is SME Listed. (see *Note below)
<i>Compliance Certificate</i>	17(8)	NA since the Company is SME Listed. (see *Note below)
<i>Risk Assessment &amp; Management</i>	17(9)	NA since the Company is SME Listed. (see *Note below)
<i>Performance Evaluation of Independent Directors</i>	17(10)	NA since the Company is SME Listed. (see *Note below)
<i>Composition of Audit Committee</i>	18(1)	Yes
<i>Meeting of Audit Committee</i>	18(2)	Yes
<i>Composition of nomination &amp; remuneration committee</i>	19(1) & (2)**	Yes
<i>Composition of Stakeholder Relationship Committee</i>	20(1) & (2)	Yes
<i>Composition and role of risk management committee</i>	21(1),(2),(3),(4)	

<i>Vigil Mechanism</i>	22	Yes
<i>Policy for related party Transaction</i>	23(1),(5),(6),(7) & (8)	Yes
<i>Prior or Omnibus approval of Audit Committee for all related party transactions</i>	23(2), (3)	Yes
<i>Approval for material related party transactions</i>	23(4)	Yes
<i>Composition of Board of Directors of unlisted material Subsidiary</i>	24(1)	NA
<i>Other Corporate Governance requirements with respect to subsidiary of listed entity</i>	24(2),(3),(4),(5) & (6)	NA
<i>Maximum Directorship &amp; Tenure</i>	25(1) & (2)	Yes
<i>Meeting of independent directors</i>	25(3) & (4)	Yes
<i>Familiarization of independent directors</i>	25(7)	NA since the Company is SME Listed. (see *Note below)
<i>Memberships in Committees</i>	26(1)	Yes
<i>Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel</i>	26(3)	Yes
<i>Disclosure of Shareholding by Non-Executive Directors</i>	26(4)	NA
<i>Policy with respect to Obligations of directors and senior management</i>	26(2) & 26(5)	Yes

**\*Note:** Since the Company was an NSE SME Listed Company as on March 31, 2019, the Company was exempt from the compliance with corporate governance provisions as specified in regulations 17, 12[17A,] 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C , D and E of Schedule V as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**The Company migrated to Main Board of NSE w.e.f. July 23, 2019.**

**12. Declaration by CFO stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:** Attached separately

**13. Certificate from the Auditor regarding compliance of conditions of corporate governance:** Attached separately

**14. Disclosure with respect to demat suspense account/unclaimed suspense account:**

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Not Applicable
number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Not Applicable
number of shareholders to whom shares were transferred from suspense account during the year;	Not Applicable
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Not Applicable
that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Not Applicable

**ANNEXURE IV**

**FORM NO MR-3**

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31<sup>st</sup> March, 2018

*[Pursuant to Section 204(1) of the Companies Act 2013 and Rule No.9 of Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,

The Members,

**LIBAS DESIGNS LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by **LIBAS DESIGNS LIMITED** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory compliances and expressing our opinion thereon. Our Report is to be read along with the attached Note in **Annexure I** and other Annexure to this Report, which form an integral part of this Report.

Based on our verification of the Company’s Books, Papers, Minute books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the company has during the Audit period covering the Financial Year ended on **March 31, 2019** complied with the Statutory provisions listed hereunder and to the extent stated in this Report and also that the Company has the proper Board-Processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

- I.** We have examined the Books, Papers, Minute books, Forms and Returns filed, Reports issued by various fellow Professionals and other applicable Records and Registers maintained by the Company on a test check basis for the financial year ended on **March 31, 2019** according to the provisions of:
  1. The Companies Act, 2013 (the Act) and the Rules made there under

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
6. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
7. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time\*;
8. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit period)**
9. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
10. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
11. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
12. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with applicable Laws, Rules, Regulations and Guidelines.

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
2. Employees State Insurance Act, 1948
3. Equal Remuneration Act, 1948
4. Acts as prescribed under the Direct Taxes and Indirect Taxes
5. Payment of Gratuity Act, 1972
6. The Bombay Shops & Establishments Act, 1948
7. Contract Labour (Regulation and Abolition) Act, 1979
8. Employees Superannuation Scheme.

9. Prevention of Money Laundering Act.
10. Registration Act, 1908
11. Indian Stamp Act, 1899
12. The Micro, Small and Medium Enterprises Development Act, 2006
13. Trademarks Act, 1999 (TM Act)
14. Copyrights Act, 1957 (Copyright)
15. Patents Act, 1970 (Patent Act)

We have examined the applicable provisions of

- (a) Secretarial Standards I and II as issued by the Institute of Companies Secretaries of India and notified by the Ministry of Corporate Affairs and applicable with effect from July 1, 2015.
- (b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the declarations given and the information provided, during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except that:

1. *During the year under review, there was a delay of 2 days in filing the Investor Grievance Report with the Exchange under Regulation 13(3) of SEBI LODR Regulations, 2015 for the quarter ended September 30, 2018. Fine of Rs. 2,360/- was levied against the Company.*
2. *There was a Fine of Rs. 3,06,800/- imposed against the Company for not implementing the bonus issue within two months from the date of the meeting of its Board of Directors wherein bonus issue was approved.*
3. *Also, the Company has failed to obtain the prior approval of Members by the way of Special Resolution for re-appointment upon the completion of 70 years of Mr. Nishant Mahimtara (DIN: 02000572) as an Executive Director of the Company in the previous years. However, the matter of his re-appointment has been placed before the Members in the ensuing AGM for seeking their approval and ratifying the acts done by him as an Executive Director during the said tenure.*

4. *During the year under review, the Company had failed to obtain necessary approval from shareholders under Section 197,198 read with Schedule V of The Companies Act, 2013 for exceeding the limit of Remuneration paid to Executive Directors.*
5. *The company has litigations pending under different Courts and under various Acts for which we have obtained management representation. The matters being subjudice, we do not comment on the same.*
6. *The Company has filed various E-forms with the ROC within due date/with additional fees wherever applicable.*

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the Year under review were carried out in Compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in case of meetings called at a short notice for urgency of business and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that during the audit period –

1. There has been transfer of 1,00,000 Equity Shares by Mrs. Suchitra Mahimtura, being the promoter of Libas Designs Limited, by the way of gift without any consideration to her sister Mrs. Sujata Parvatkar, being the immediate relative of the Promoter on March 25, 2019.
2. On March 06, 2019, the Company passed a Special Resolution to approve migration of Libas Designs Limited from SME platform of NSE Ltd. i.e. EMERGE to Main Board of NSE Ltd.

3. To boost the export of its garments, the Company incorporated a Wholly Owned Subsidiary viz. Libas Designs FZE LLC, Ajman Media City, Dubai in December 2018.

**For JMJA & Associates LLP**  
**Practicing Company Secretaries**

**Sd/-**

**Place: Mumbai**

**Mansi Damania**

**Date: September 03, 2019**

**FCS: 7447 | COP: 8120**

NOTE: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report .

To,  
The Members,  
Libas Designs Limited

'Annexure'

Our report of even date is to be read with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit;
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.;
5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, Secretarial Standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company;
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy;
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**For JMJA & Associates LLP,**

**Practising Company Secretaries**

Sd/-

**CS Mansi Damania**

**Designated Partner**

**FCS: 7447 | COP No.:8120**

**Place: Mumbai | Date: September 3, 2019**

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

I, Nishant Mahimtura, Chief Financial Officer of Libas Designs Limited hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended **March 31, 2019**.

**For Libas Designs Limited**

**Place: Mumbai**  
**Date: September 03, 2019**

**Nishant Mahimtura**  
**(DIN: 02000572)**  
**CFO & Director**

**COMPLIANCE CERTIFICATE FOR CORPORATE GOVERNANCE**

[Under Regulation 34(3) read with Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To**  
**The Members**  
**Libas Designs Limited**

We have examined the compliance of conditions of Corporate Governance by Libas Designs Limited (the Company), for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Since the Company was an NSE SME Listed Company as on March 31, 2019, the Company was exempt from the compliance with corporate governance provisions as specified in regulations 17, 12[17A,] 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C , D and E of Schedule V as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, the Company has voluntarily complied with some of the conditions of the Corporate Governance the details of which are mentioned in Point no. 10 (k) of the Corporate Governance Report attached as **Annexure III** to the Director's Report.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: except following.

Sr.No.	Action taken by	Details of violation	Details of action taken (Quantum of penalty imposed)	Observations/Remarks by the Company
3.	National Stock Exchange of India Limited (NSE Ltd.)	Delay in complying with Regulation 13(3) of SEBI LODR Regulations, 2015.	Fine of Rs. 2,360/- was levied against the Company.	Company paid the penalty and filed necessary compliance.
4.	National Stock Exchange of India Limited (NSE Ltd.)	not implementing the bonus issue within two months from the date of the meeting of its Board of Directors wherein bonus issue was approved.	Fine of Rs. 3,06,800/- was imposed against the Company.	Company paid the penalty and filed necessary compliance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For JMJA & Associates LLP**  
**Practicing Company Secretaries**

**Date: September 03, 2019**  
**Place: Mumbai**

**Sd/-**  
**CS Mansi Damania**  
**Partner**  
**FCS: 7447 | COP: 8120**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

**To,  
The Members  
Libas Designs Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Libas Designs Limited** having CIN L18101MH2004PLC149489 and having registered office at 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai- 400053, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority **except Mr. Nishant Mahimtura (DIN: 02000572) whose re-appointment has not been ratified by the Company in the previous AGM as an Executive Director upon the completion of 70 years of age. However, the matter of his re-appointment has been placed before the Members in the ensuing AGM for seeking their approval and ratifying the acts done by him as an Executive Director during the said tenure.**

Sr. No.	Name of the Director	DIN	Date of appointment in the Company	Name of the Statutory Authority by which the director is disqualified	Reasons for disqualifications
1.	Mr. Nishant Mahimtura	02000572	10/11/2004	Ministry of Corporate Affairs	Re-appointment has not been

					ratified by the Company in the previous AGM as an Executive Director upon the completion of 70 years of age.
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Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Reshma Ganji	07576582	July 26, 2016
2	Riyaz Ganji	02236203	November 10, 2004
3	Nishant Mahimtura	02000572	November 10, 2004
4	V. P. Kamath	07239860	September 21, 2016
5	Anand Taggarsi	06959365	September 21, 2016
6	Reema Varde	07604537	September 21, 2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For JMJA & Associates LLP**  
Practicing Company Secretaries

Sd/-

Place: Mumbai  
Date: September 03, 2019

**Mansi Damania**  
FCS:7447 ; COP: 8120

**DECLARATION BY CHIEF FINANCIAL OFFICER (CFO)**

**CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Nishant Mahimtura, Chief Financial Officer of Libas Designs Limited (“the Company”), hereby certify that:

- A. I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2019 and based on our knowledge and belief, we state that:
  - 1) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - 2) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- B. There are to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company’s code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. I have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - 1) There were no significant changes in internal control over financial reporting during the year;
  - 2) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

- 3) There were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**Sd/-**  
**Nishant Mahimtura**  
**Chief Financial Officer**

**Date: September 03, 2019**  
**Place: Mumbai**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. BUSINESS SEGMENT – TEXTILES

#### a) Industry Structure and Developments:

The Textile Sector in India ranks next to Agriculture. Textile is one of India's oldest industries and has a formidable presence in the national economy in as much as it contributes to about 14 per cent of manufacturing value-addition, accounts for around one-third of our gross export earnings and provides gainful employment to millions of people. The textile industry occupies a unique place in our country. One of the earliest to come into existence in India, it accounts for 14% of the total Industrial production, contributes to nearly 30% of the total exports and is the second largest employment generator after agriculture.

India's textile industry is one of the economy's largest. India's textile industry is also significant in a global context, ranking second to China in the production of both cotton yarn and fabric and fifth in the production of synthetic fibers and yarns. Unlike other major textile-producing countries, India's textile industry is comprised mostly of small-scale, nonintegrated spinning, weaving, finishing, and apparel-making enterprises. This unique industry structure is primarily a legacy of government policies that have promoted labour-intensive, small-scale operations and discriminated against larger scale firms.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion in FY18 and is expected to increase to US\$ 82.00 billion by 2021 from US\$ 31.65 billion in FY19 (up to Jan 19).

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Some of the major investments in the Indian textiles industry are as follows:

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.
- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Upgradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.
- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.

However, the Textile Industry overall, is going through tough times due to the structural transformation after GST and due to the weak market position in the Domestic as well as overseas markets. E-Commerce/On-line sales are growing with reputed brands retailers. That coupled with low cotton production and increasing prices, is putting pressure on prices and margins. The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand

## **b) Opportunities and Threats:**

### **Opportunities**

- A shift towards the market of branded ready-made garment is being observed.
- Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- More number of emerging malls and retail industries are providing opportunities to industry's segments like handicrafts and apparels.

- There is a provision of more FDI and investment opportunities.
- Withdrawal of quota restriction is contributing immensely in market development.
- Subsidy from the central government to give boost to the home textiles Industry.

### **Threats**

- Continuous Quality Improvement is the need of hour as there are different demand pattern all over the world.
- Striking a balance between the quality and price of products.

### **c) Segmental Review and Analysis:**

The Financial Performance of our textile unit in some of the branch in India been affected by the slow down in the retail markets and the margins have been under pressure due to the liquidity crunch in the unorganized sector, who are affected during this fiscal because of higher compliance cost, eroding market share and limited ability to pass on the increase in raw material prices. A few retails shops have been closed down due to slow down of the market.

### **d) Outlook:**

We are engaged in the process of fabrication of fabric into garments and other products through customization, where customers can choose the colours, fabrics and designs and make changes as per their need. We at LIBAS RIYAZ GANGJI implement the traditional bespoke process with a modern-day approach. Right from the initial stage that involves the client preferences to constructing the most desirable outfit, we ensure complete satisfaction to our client. Apart from retail sales, we also undertake wholesale business where we provide our designs to other labels. We also give complete solutions to corporates regarding their dressing needs and designing.

It has tie up with many Indian & international designers. We have tie ups with major ecommerce players portals such as [www.jabong.com](http://www.jabong.com), [www.glitstreet.com](http://www.glitstreet.com), [www.indianroots.com](http://www.indianroots.com) etc. The Company has also launched the website [www.libasdesignsltd.com](http://www.libasdesignsltd.com) so as to reach the customers easily. Also, the Company has opened 3 manufacturing units in Mumbai till now.

To boost the export of its garments, the Company has incorporated a Wholly Owned Subsidiary viz. Libas Designs FZE LLC, Ajman Media City, Dubai in December 2018.

While your Company is attuned to judicious capital allocation strategies and sustainable growth, Libas continues to work towards cost efficiencies and provide its customer the best experience.

e) **Risks and concerns.**

- **Changes in market trends, fashion and consumer preferences and increase in Competition that are largely beyond our control could adversely affect our business, financial condition, results of operations and prospects.**

Fashion industry is very sensitive to change as per market trend. Any change in the latest fashion can render the old stock obsolete and increase in competition with close competitors will reduce the demand. Also Factors such as change in trend, fashion and customer preference are generally beyond our control. Some or all of our concepts may become less attractive in light of changing consumer preferences or better design by competitors, and we may be unable to adapt to such changes in a timely manner. Any change in consumer preferences that decreases demand could adversely affect our business, financial condition, results of operations and prospects.

- Our cost of fabrication is exposed to fluctuations in the prices of material.
- Natural calamities and force majeure events may have an adverse impact on our business.
- Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.
- Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
- We may suffer loss of income, if our products/designs are duplicated by our competitors.
- We face competition in our business from both domestic and international brands. Such competition would have an adverse impact on our business and financial performance.
- Our insurance coverage may not adequately protect us against future unforeseen liabilities and this may have a material adverse effect on our business.
- Other types of risks include Strategic Risk, Business Risk, Finance Risk, Environment Risk, Personnel Risk, Operational Risk, Reputation Risk, Regulatory Risk, Technology Risk, etc. Your company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

## 2. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit,

the financial controls of the Company at various locations are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets on a regular basis to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of the follow-up action required. The Company conducts its business with integrity and high standards of ethical behaviour and in compliance with the all applicable laws and regulations that govern its business.

### **3. FINANCIAL AND OPERATIONAL PERFORMANCE (STANDALONE)**

<b>Particulars</b>	<b>Year ended 31.03.2019</b>	<b>Year ended 31.03.2018</b>
<b>Total Revenue for the year</b>	51,93,43,531	44,81,68,264
<b>Employee benefits expense</b>	2,08,31,750	1,91,87,887
<b>Finance Cost</b>	1,88,30,692	1,89,04,485
<b>Depreciation</b>	53,69,061	26,61,506
<b>Other Expenses</b>	3,97,93,361	5,28,10,968
<b>Total Expenses</b>	<b>46,99,64,754</b>	<b>40,74,23,680</b>
<b>Profit before tax</b>	<b>4,93,78,777</b>	<b>4,07,44,584</b>
<b>Total Tax Expenses</b>	<b>1,39,47,640</b>	<b>1,16,33,778</b>
<b>Profit for the period from continuing operations</b>	<b>3,54,31,137</b>	<b>2,91,10,806</b>

The total income of the Company has been increased from 41.81 cr. to 51.93 cr. during the period under review. There has been significant change in amount of depreciation from the last year to the current year under the review. Further, Profit after tax has also been increased from 2.91 cr. to 3.54 cr. showing growth of the Company. The Company is expected to perform better in the years to come.

### **4. HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATIONS**

The man machine combination is balanced optimally as the Company believes that Human Resource is one of the most vital resources and a key pillar in providing the Organization a competitive edge in current business environment. A motivated and efficient workforce can help it attain its target in a realistic manner. Taking cognizance of that fact, the Company provides extensive training to its employees in order to develop their skill sets and keep them motivated. The Company appreciates the productive co-operation extended by its employees in the efforts of the management to carry the Company to greater heights.

The industrial relations in all units of the Company continue to be cordial.

## 5. CAUTIONARY STATEMENT

The statements made above may be construed as Forward Looking Statements within the meaning of the applicable laws and regulations. Actual performance of the Company may vary substantially depending upon the business structure and model from time to time. Important external and internal factors may force a downtrend in the operations of the Company.

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of,

### **LIBAS DESIGNS LIMITED**

#### **Report on the Audit of Standalone Financial Statements.**

#### **Opinion**

We have audited the accompanying standalone financial statements of **LIBAS DESIGNS LIMITED**, (“the Company”) which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss account ((including Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash flow for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“The Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March, 2019, the Profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities 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 to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **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 period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have

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

Sr. No	Key Audit Matters	How the matter was addressed in our audit
<b>Evaluation of tax positions:-</b>		
1.	The Company as a whole operates in India and Ajman U.A.E. is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct tax, transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the tax litigations, consequently having an impact on related accounting and disclosures in the financial statements.	Our audit procedures include the following substantive procedures: <ul style="list-style-type: none"> <li>• Obtained an understanding of key tax litigations and potential tax exposures</li> <li>• We along with our internal tax experts – <ul style="list-style-type: none"> <li>▪ read and analyzed select key correspondences and consultations carried out by management with external tax experts for key tax litigations and potential tax exposures;</li> <li>▪ discussed with appropriate senior management and evaluated management’s underlying key assumptions and grounds of appeal in estimating the tax provisions; and</li> <li>▪ evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment to assess management’s estimate of the possible outcome of key tax litigations and potential tax exposures.</li> </ul> </li> </ul>
<b>Revenue Recognition</b>		
2.	Revenue recognition on SOR Sales.	Our Audit procedure on revenue recognition from Sales or returnable sale included <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of the systems, processes and controls implemented by management for recording such transaction</li> <li>▪ Calculating revenue from those transactions.</li> <li>▪ Reviewing the continuity of supply and the associated contract with the vendors.</li> </ul>

**Other Information.**

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express

any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

1. As required by 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 account including other comprehensive Income, Statement of change in equity and Cash flow statement, dealt with by this report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss account and Cash flow statement comply with the Accounting Standards referred to in section (3C) of 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 31<sup>st</sup> March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of clause (g) of sub-section (1) of section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**", Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us :
- i. The Company has disclosed the impact, if any, of pending litigations in its financial statements;  
**Ref note No. 28**
  - ii. The company did not have any long term contracts including derivative contracts for which they were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For JAIN JAGAWAT KAMDAR & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 122530W**

**CA Chandrashekhar Jagawat**  
**Partner**  
**M. No: - 116078**  
**Date: 29/05/2019**

## **ANNEXURE 'A' TO AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Libas Designs Limited for the year ended 31st March, 2019.**

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

1. We have audited the internal financial controls over financial reporting of **LIBAS DESIGNS LIMITED** as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

According to the information provided, in our opinion, to the best of the information and explanation given to us, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were effective as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control states in the Guidance Note.

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

2. The respective Board of Directors are responsible for establishing and maintaining internal financial controls based on 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

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

4. 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent limitation of internal financial controls over financial reporting.**

5. Because of inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material statement due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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.

**For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
Firm Regn. No. 122530W**

**CA Chandra Shekhar Jagawat  
Partner  
M. No:- 116078  
Date: 29/05/2019**

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**As required by section 143(11) of the act, we report, to the extent applicable that:**

**1. In respect of the Company's fixed assets:**

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the books of accounts Company do not have immovable properties as at balance sheet date and hence clause for ownership of the property do not applicable to company to that extent.

2. The Company is in the business of Garments manufacturing, trading in fabric and men and women accessories and maintained inventory records. The management has conducted the physical verification at reasonable interval and they do not found any major discrepancies during their verification.
3. The company has granted interest free unsecured advance /loans, to the directors and relatives of Directors of the company covered in the registration maintained under section 189 of the Companies Act 2013, the terms and condition of loan is prejudicial to the interest of the Company. The repayment schedule was not in line with prudential practice. (Refer Note no. 30 to Standalone financials.)
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
7. According to information and explanation given to us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurances, income-tax, sales tax, wealth tax, service tax, duty of customs, duty excise, value added tax cess and any other statutory dues with the appropriate authorities whether applicable. As such there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six month from the date they became payable except in the case of profession Tax the amount dues exceeding 6 months of Rs. 89,250/-.
8. The Company has taken loans or borrowings from Bank / financial institutions; there is no delay repayment of loan installment.

9. The Company has raised moneys by way of term loan and applied the money raised for the intended purpose and regular in repayment of installments.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company has company has paid managerial remuneration within the limit prescribed U/s 197 read with schedule 5 of the Companies Act 2013.
12. The company is not a Nidhi company; hence the reporting under clauses 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures; hence the reporting under clauses 3(xiv) of the Order is not applicable to the company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For JAIN JAGAWAT KAMDAR & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**M. No: - 116078**  
**Place: Mumbai**  
**Date: 29/05/2019**

**LIBAS DESIGNS LIMITED**

CIN NO. L18101MH2004PLC149489

**STANALONE BALANCE SHEET AS AT 31st March 2019**

	Note	As At 31-Mar-2019	As At 31-Mar-2018
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	2	1125,00,000	750,00,000
Reserves and surplus	3	1510,88,178	1531,57,040
		<b>2635,88,178</b>	<b>2281,57,040</b>
<b>Non-current Liabilities</b>			
Long Term Borrowings	4	-	-
Deferred Tax Liabilities (Net)	4A	3,31,417	1,33,778
Other Long Term Liabilities	5	172,17,000	160,62,000
Long Term Provisions	5A	-	4,13,044
		<b>175,48,417</b>	<b>166,08,822</b>
<b>Current Liabilities</b>			
Short term borrowings	6	1600,07,611	1213,14,725
Trade payables			
Belongs to MSME	7A	4,86,500	NIL
Others	7B	262,72,644	709,93,251
Other current liabilities	8	280,70,855	398,05,551
Short term provisions	9	-	-
		<b>2148,37,610</b>	<b>2321,13,526</b>
<b>Total Equity &amp; Liabilities</b>		<b>4959,74,205</b>	<b>4768,79,388</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	10	220,87,124	210,72,397
Non Current investments	11	91,24,116	66,00,000
Deferred Tax Assets (Net)	12	-	-
Long term loans and advances	13	83,79,058	80,89,806
Other non current assets	14	254,55,877	238,10,180
		<b>650,46,175</b>	<b>595,72,382</b>
<b>Current Assets</b>			
Inventories	15	2292,14,698	2305,45,650
Trade receivables	16	1708,53,157	1493,07,319
Cash & Bank Balances	17	177,61,513	116,65,671
Short term loans and advances	18	130,98,662	257,88,366
		<b>4309,28,030</b>	<b>4173,07,006</b>
<b>Total Assets</b>		<b>4959,74,205</b>	<b>4768,79,388</b>

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**For JAIN JAGAWAT KAMDAR & CO.**

Chartered Accountants

ICAI Firm Registration no. 122530W

Chandrashekhar Jagawat

Partner

Membership No. -116078

Place: Mumbai

Date: 29th May, 2019

For and on behalf of the Board of Directors of  
**Libas Designs Limited**

Mrs. Reshma Ganji

Managing Director

DIN 07576582

Mr. Nishant Mahimtura

Chairman &amp; CFO

DIN 02000572

Place : Mumbai

Date: 29th May, 2019

Raashi Singhi

Company Secretary

M No. A55559

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# LIBAS DESIGNS LIMITED

CIN NO. L18101MH2004PLC149489

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2019

	Note	Year ended 31-03-2019	Year ended 31-03-2018
<b>Revenue :</b>			
Gross Sales	19	5171,67,501	4406,55,141
Less: Excise duty		-	-
Net Sales		5171,67,501	4406,55,141
Other operating income	20	4,83,137	1,51,736
Revenue from operations (net)		5176,50,638	4408,06,877
Other income	21	16,92,893	73,61,387
<b>Total revenue</b>		<b>5193,43,531</b>	<b>4481,68,263</b>
<b>Expenses :</b>			
Cost of materials consumed	22	3851,39,889	3138,58,834
Changes in inventories of finished goods, work-in-progress	23	-	-
Employee benefits expenses	24	208,31,750	191,87,887
Finance costs	25	188,30,692	189,04,485
Depreciation and amortization expenses	26	53,69,061	26,61,506
Other expenses	27	397,93,361	528,10,968
<b>Total expenses</b>		<b>4699,64,754</b>	<b>4074,23,679</b>
Profit before exceptional and extraordinary items and tax		493,78,777	407,44,584
Extraordinary items			-
<b>Profit before tax</b>		<b>493,78,777</b>	<b>407,44,584</b>
<b>Tax expense</b>			
Current tax		137,50,000	115,00,000
Deferred tax Liability		1,97,640	1,33,778
(Excess) / Short provision of earlier years			
<b>Profit (Loss) for the period</b>		<b>354,31,137</b>	<b>291,10,806</b>
<b>Earnings per equity share ( of Rs.10/- each)</b>			
(1) Basic	33	3.15	3.88
(2) Diluted		3.15	2.59
Significant Accounting policies and Notes on Financial Statements	1 -36		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
ICAI Firm Registration no. 122530W

Chandra shekhar Jagawat  
Partner  
Membership No. -116078

Place : Mumbai  
Date: 29th May, 2019

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572

Raashi Singhi  
Company Secretary  
M No. A55559

Place : Mumbai  
Date: 29th May, 2019

**LIBAS DESIGNS LIMITED**

CIN NO. L18101MH2004PLC149489

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR PERIOD ENDED 31/03/2019**

	Year ended 31-03-2019	Year ended 31-03-2018
<b>A Cash flow from Operating activities</b>		
Net profit before tax and extra ordinary items	493,78,777	407,44,584
Adjustments for		
- Depreciation	53,69,061	26,61,506
- Interest paid on Income Tax		
- Dividend Received	-	(12,075)
- Interest Received	(10,19,973)	(57,85,638)
- Interest Paid	188,30,692	189,04,485
- Gratuity Provided	-	4,13,044
	<b>231,79,781</b>	<b>161,81,322</b>
<b>Operating Profit before working capital changes</b>	<b>725,58,558</b>	<b>569,25,906</b>
Adjustments for		
- (Increase)/Decrease in Trade and other receivables	(215,45,838)	(591,29,772)
- (Increase)/Decrease in Inventories	13,30,952	(698,82,062)
- (Increase)/Decrease in Loans & Advances	(2,89,252)	(31,11,137)
- (Increase)/Decrease in Short term Loans & Advances	126,89,704	675,81,850
- (Increase)/Decrease in non current Assets	(16,45,697)	(69,03,929)
- Increase/(Decrease) in other Current Liabilities	(254,43,167)	255,63,134
- Increase/(Decrease) in Trade payable	(442,34,106)	120,65,368
	<b>(791,37,405)</b>	<b>(338,16,549)</b>
<b>Cash generated from operations</b>	<b>(65,78,846)</b>	<b>231,09,357</b>
Direct taxes paid	(25,00,000)	(52,05,682)
<b>Net cash from operating activities</b>	<b>(90,78,846)</b>	<b>179,03,675</b>
<b>B Cash flow from investing activities</b>		
- Interest Received	10,19,973	57,85,638
- Dividend Income	-	12,075
- Investment in Fixed Deposit		
- Investments	-	(15,00,000)
- Purchase of fixed assets	(63,83,789)	(170,51,324)
<b>Net cash used in investing activities</b>	<b>(53,63,816)</b>	<b>(127,53,611)</b>
<b>C Cash flow from financing activities</b>		
- Loans borrowed (Net of repayment)	7,41,956	10,07,763
- Loans Short term borrowed (Net of repayment)	386,92,886	151,12,110
- Issue of Shares		
- Public Issue Expenses		
- Interest paid	(188,30,692)	(189,04,485)
<b>Net cash used in financing activities</b>	<b>206,04,150</b>	<b>(27,84,613)</b>
<b>Net increase / (Decrease) in cash and cash equivalents</b>	<b>61,61,488</b>	<b>23,65,451</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>116,00,026</b>	<b>92,34,575</b>
<b>Cash and cash equivalents at the closing of the period</b>	<b>177,61,513</b>	<b>116,00,026</b>

**Cash and Bank Balances**

<b>A Cash and cash equivalents</b>		
Cash on hand	112,48,879	54,41,538
Balance with banks		
In Current accounts	65,12,634	62,24,134
	<b>177,61,513</b>	<b>116,65,672</b>
<b>B Other Bank Balance</b>		
Margin Money Deposit (Maturity above 3 months)		
	<b>177,61,513</b>	<b>116,65,672</b>

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr Riyaz Ganji  
Whole Time Director  
DIN 02236203

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572

Raashi Singhi  
Company Secretary  
M No. A55559

Place : Mumbai  
Date: 29th May, 2019

Place : Mumbai  
Date: 29th May,2018

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### General company profile :

Libas Designs Limited (the 'Company') was incorporated on 10/11/2004 as Private Limited Company under the Companies Act 1956 and the same was converted in Public Limited Company on 20th September, 2016. The company is engaged mainly in the process of fabrication of fabric into garments and other products through customisation. The Company is listed on SME Emerge Platform of National Stock exchange of India Limited (NSE).

#### 1 Significant Accounting Policies:

##### (A) Basis of accounting :

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied by the company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hither to in use.

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

##### (B) Accounting Estimates :

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any difference between the actual result and estimates are recognized in the period in which the results are known / materialised. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### (C) Fixed assets & Depreciation :

###### (i) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable to cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

###### (ii) Depreciation:

- 1) Depreciation on fixed assets is provided on written down value method for the period for which the assets have been used. Depreciation on assets is provided over the useful life of assets as prescribed under schedule II of Companies Act, 2013.

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

2) Depreciation on the fixed assets added / disposed off / discarded during the year has been provided on pro rata basis with reference to the date of addition / disposition / discardation.

**(D) Impairment of Assets :**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(E) Borrowing Costs :**

Borrowing costs directly attributable to the acquisition, construction or production of qualified assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment of those borrowings. All other borrowing costs are recognized as an expense in the period in which they are incurred.

**(F) Taxes :**

Provision for tax is made for both current and deferred taxes. Provisions for current income tax is determined at the amount of tax payable at the applicable rates in respect of estimated taxable income for the year. The Company provides for deferred tax based on the tax effect of timing difference resulting from the recognition of items in the financial statement and in estimating its current tax provision. Deferred tax assets are recognized if there is a reasonable certainty of realisation. The effect on deferred taxes of a change in tax rates is recognized in the Profit & Loss Account in the period in which it has been enacted or substantively enacted as on the balance sheet date.

**(G) Inventories :**

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence , if any. Cost of Inventories comprises of cost of purchase , cost of conversion and other costs incurred in bringing them to their respective present location and condition.

Work in - progress and finished goods are valued at lower of cost and net realisable value. Cost of work in progress and finished goods is determined on absorption costing method which include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods.

**(H) Income / Expenses Recognition :**

(i) Domestic Sales are recognized on dispatch of goods from factory and Export Sales on transfer of significant risk & rewards of ownership of such goods. Sales are disclosed net of sales tax / Value added tax, discounts and sales return as applicable.

(ii) Revenue from labour job is recognised on the basis of execution of job.

(iii) The company accounts for excise duty rebate, duty entitlements and other incentives on exports on accrual basis.

(iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(I) Foreign currency:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary items remaining unsettled at the year end are translated / reported at the year end rate. Any gain or loss arising on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of Long Term Liabilities.

**(J) Employees Benefits :**

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Short Term Employee Benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service rendered.

#### Retirement Benefits :

- i) Retirement benefits in the form of Provident Fund , which are defined Contribution Plans, are accounted on accrual basis and charged to the Statement of Profit and Loss of the Year.
- ii) Retirement benefits in the form of Gratuity which is a defined benefit plan and accrued on the basis of an independent actuarial valuation applying the Projected Unit Credit Method.
- iii) The actuarial gains/losses arising during the year are recognised in the Statement of Profit & Loss of the year.
- iv) The actuarial valuation is carried at the end of each financial year.

#### (K) Lease accounting:

Operating lease rentals are expensed with reference to lease terms and other consideration.

#### (L) Provisions, Contingent Liabilities and Contingent Assets :

Provisions involved substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

#### (M) Earning per Share

The company reports basic and diluted earning per share (EPS) in accordance with the Accounting Standard specified under Section 133 of the Companies Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the end of the year.

#### (N) Cash and cash equivalents :

Cash and cash equivalents for the purposes of cash-flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2 Share Capital:	As At 31-03-2019	As at 31-03-2018
<b>Authorized</b>		
12,000,000 equity shares of Rs. 10 each	1200,00,000	1100,00,000
<b>Issued, Subscribed and Paid up</b>		
7,500,000 Equity shares of Rs. 10 each fully paid-up	1125,00,000	750,00,000
	<b>1125,00,000</b>	<b>750,00,000</b>

#### (a) Rights, preferences and restrictions attached to shares

- (i) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation of the Company, the holders of the equity shares of the Company will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(b) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:

	As at 31-03-2019	As at 31-03-2018
<b>Equity Shares:</b>		
<b>At the beginning</b>		
- Number of shares	75,00,000	75,00,000
- Amount	750,00,000	750,00,000
<b>Addition during the year</b>		
- Number of shares	37,50,000	-
- Amount	375,00,000	-
<b>At the end</b>		
- Number of shares	112,50,000	75,00,000
- Amount	1125,00,000	750,00,000

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at 31-03-2019		As at 31-03-2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
- Nishant Mahimtura	30,78,000	27.36	20,60,000	27.47
- Riyaz Ganji	18,73,350	16.65	12,48,900	16.65
- Reshma Ganji	18,52,651	16.47	12,35,100	16.47

<b>3 Reserves and Surplus:</b>	As at 31-03-2019	As at 31-03-2018
<b>Capital reserve</b>		
<b>Securities Premium account</b>		
Balance as per last Balance sheet	1133,40,671	1160,00,000
Add : Addition During the year	-	-
	1133,40,671	1160,00,000
Less : Public Issue Expenses	-	26,59,329
<b>Balance as at the end of the year</b>	<b>1133,40,671</b>	<b>1133,40,671</b>
<b>General Reserve</b>		
Balance as at beginning of the year		
<b>Balance as at the end of the year</b>	-	-
<b>Surplus in Statement of Profit &amp; Loss</b>		
Balance as at beginning of the year	398,16,369	107,05,563
Profit for the year	354,31,137	291,10,806
Less: Bonus Shares		-
<b>Amount available for appropriation</b>	<b>752,47,507</b>	<b>398,16,369</b>
Less: Appropriations :		
- Bonus	375,00,000	
- Transitional provision for : Depreciation charge		
- Short / Excess Provision for Income Tax for earlier year		
<b>Total appropriations</b>	<b>375,00,000</b>	<b>-</b>
<b>Total appropriations</b>		
<b>Balance as at end of the year</b>	<b>377,47,507</b>	<b>398,16,369</b>
<b>Total reserves and surplus</b>	<b>1510,88,178</b>	<b>1531,57,040</b>

Note. Public Issue expenses are written off as per Section 52 of the Companies Act, 2013 from the security premium received.

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

4 Long Term Borrowings:	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
	Current Maturity		Non-current portion	
<b>Secured:</b>				
From UBI Bank *	-	7,92,237	-	7,92,237
<b>Total Unsecured Borrowings</b>	-	<b>7,92,237</b>		<b>7,92,237</b>
Amount disclosed under the head "Short term Borrowing" (refer note 6 )	-	(7,92,237)	-	-
<b>Total long-term borrowings</b>	-	-	-	<b>7,92,237</b>

\* Note:- Secured Against Furniture & fixture of Pune Shop and personal gurantee of Directors

4A Deferred Tax Liabilities (Net):	As at 31-03-2019	As at 31-03-2018
<b>Deferred Tax Liabilities</b>		
- Depreciation	1,97,640	15,634
- Donation		4,340
- Gratuity (Expenses allowable for tax purposes when paid)		1,13,804
	<u>1,97,640</u>	<u>1,33,778</u>
<b>Deferred Tax Assets</b>		
- Provision for employee benefit		
- Unabsorbed Depreciation		-
<b>Total deferred tax liabilities (net)</b>	<b>1,97,640</b>	<b>1,33,778</b>

5 Other Long term Liabilities	As at 31-03-2019	As at 31-03-2018
Franchise security deposit	142,62,000	142,62,000
Rent Deposit- Knoweys Ecom Pvt. Ltd	18,00,000	18,00,000
Madhyam Housing Pvt Ltd	9,51,000	-
Aman Ganji	2,04,000	
<b>Total Long-term provisions</b>	<b>172,17,000</b>	<b>160,62,000</b>

5A Long-term Provisions / Liabilities:	As at 31-03-2019	As at 31-03-2018
<b>Provision for Employees Benefit expenses:</b>		
Provision for Gratuity payment	-	4,13,044
Leave Encashment		
<b>Total Long-term provisions</b>	-	<b>4,13,044</b>

Note:- Company has not provided for Gratuity tough it was covered under Level-1 in term of definition provided in AS-15

6 Short-term Borrowings:	As at 31-03-2019	As at 31-03-2018
<b>Secured:</b>		
<b>Working Capital Loan from Union Bank of India</b>		
Cash Credit Hypothecation Accounts *	1521,41,094	1134,98,274
Current maturities of Long-term debts (UBI)	78,66,517	7,92,237
Loan Against Fixed Deposits	-	70,24,214
<b>Total Short-term borrowings</b>	<b>1600,07,611</b>	<b>1213,14,725</b>

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

\* (a) Working Capital Loan from Union Bank of India are secured against hypothecation of stock & book debts and co-leteral security by way of Hypothication of land & building situated at Gala no.55,62- Siddhapura Industrial Estate, Masrani Lane, Near Halav pool, Kurla West owned by Director Mr. Riyaz Ganji & Chaiman cum CFO Mr. Nishant Mahimtura respectively & Property situated at 1103,1203 duplex height CHS, Yamuna Nagar Andheri (W), owned by Mr. Riyaz Ganji & Mrs. Reshma Ganji and also personal Gurantee of Directors.

(b) Cash credit is repayable on demand and carries variable interest.

7A Trade Payables:	As at 31-03-2019	As at 31-03-2018
Trade payables (Goods)	267,59,144	709,93,251
<b>Total trade payables</b>	<b>267,59,144</b>	<b>709,93,251</b>
<b>7A Trade Payable to MSME</b>	<b>4,86,500</b>	<b>NIL</b>
<b>7B Trade Payable to Others</b>	<b>262,72,644</b>	<b>709,93,251</b>

a) Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 ("MSMED Act"). Under Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 ("MSMED Act") , certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. The Company is in process of compling relevant information from its suppliers about their coverage under the said Act. Since the relevant information to the extent available are recorded in the books of accounts . However in view of the management, the impact of interest, if any , that may be payable in accordance with the provision of this Act is not expected to be material.

8 Other Current Liabilities:	As at 31-03-2019	As at 31-03-2018
Creditor for expense	-	199,61,315
Audit Fees Payable	1,21,654	1,21,654
CST Payable	3,95,254	3,95,254
Sales Tax Payable	2,28,419	2,28,419
Professional Tax Payable	1,31,400	63,125
GST Payable	5,36,913	17,11,014
Provision for Gratuity payment	4,13,044	
Income Tax Payable (A.Y. 2015-16)	13,39,995	13,39,995
Income Tax Provision (A.Y. 2017-18)	30,72,393	30,72,393
Income Tax Provision (A.Y. 2018-19)	63,50,000	115,00,000
Statutory dues (TDS Payable)	17,31,783	14,12,382
Income Tax Provision (A.Y. 2019-20)	137,50,000	-
<b>Total other current liabilities</b>	<b>280,70,855</b>	<b>398,05,551</b>

a) Creditors for Expenses are net of advance given to vendors.

9 Short Term provisions:	As at 31-03-2019	As at 31-03-2018
<b>Current maturities of Long-term provisions of Employees Benefit expenses</b>		
Provision for Gratuity payment	-	-
<b>Other Provisions</b>		
	-	-
<b>Total short-term provisions</b>	<b>-</b>	<b>-</b>

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

11 Non Current Investment	As at 31-03-2019	As at 31-03-2018
<b>Long Term :</b>		
Shares in Shamrao Bank	1,00,000	1,00,000
Union Capital Protection Fund	65,00,000	65,00,000
LIBAS DESIGNS FZE LLC	25,24,116	
<b>Total Non Current Investment</b>	<b>91,24,116</b>	<b>66,00,000</b>
<b>12 Deferred Tax Assets (Net)</b>		
	As at 31-03-2019	As at 31-03-2018
Timing Diffrence on account of :		
Depreciation		
Employee Benefit		
<b>Total Deferred Tax Assets (Net)</b>		-
<b>13 Long Term Loans &amp; Advances</b>		
	As at 31-03-2019	As at 31-03-2018
Excise Duty Paid	-	-
Advance Tax (AY 2018-19)	25,00,000	25,00,000
Advance Tax (AY 2014-15)	94,171	94,171
Advance Tax (AY 2017-18)	30,00,000	30,00,000
Self Asst. Tax (AY 2015-16)	16,20,000	16,20,000
TDS Received (AY 2017-18)	1,91,805	1,91,805
TDS Received (AY 2011-12)	4,500	4,500
TDS Received (A.Y. 2014-15)	56,504	56,504
TDS Received (A.Y. 2016-17)	5,124	5,124
TDS Received (A.Y. 2018-19)	6,12,181	6,12,181
TDS Received (A.Y. 2020-21)	2,89,252	
TDS Received (FY 2014-15)	5,521	5,521
<b>Total Long Term Loans &amp; Advances</b>	<b>83,79,058</b>	<b>80,89,806</b>
<b>14 Other non-current assets:</b>		
	As at 31-03-2019	As at 31-03-2018
<b>Deposits paid against premises taken on lease:</b>		
Peddar Road	13,51,255	13,51,255
Juhu (Shakeel Siddique)	13,50,000	13,50,000
Santacruz		10,00,000
Borivali	5,00,000	5,00,000
Andheri		15,11,000
Delhi	27,11,500	27,11,500
Electricity Deposits	1,09,097	84,147
ESIC Deposits	7,24,838	7,24,838
NSE Listing Deposit		13,60,000
Pune	1,96,416	1,96,416
Harmeet Singh Gulati (Deposits)	5,00,000	5,00,000
R Mall Developers Pvt Ltd (Deposits)	18,00,000	18,00,000
<b>Other Advance</b>		
Advances to vendors	82,46,170	
Sales Tax Refund	38,754	
Choice Equity Demat A/c	5,750	5,750
Concept Manequis		1,51,513
D. Cube Exhibitions		35,500
Global Advertisers	37,260	37,260

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Horizon Interiors	-	24,00,000
Javed Maklai	-	4,50,000
Karan Bhardwaj & Ginni	1,10,000	1,10,000
Poonam Enterprises	-	1,00,000
Pioneer Techno Ventures Pvt Ltd	54,000	54,000
Rajan Seth	5,00,000	
Roop Square Pvt Ltd	-	3,50,000
Shree Rani Sati Enterprises	27,00,000	27,00,000
Silver King	6,00,000	4,00,000
The Future Wear Pvt Ltd	15,00,000	15,00,000
Bright Outdoor Media Pvt Ltd	24,00,836	24,07,000
Security Deposit - Garment Manufacturers Pvt Ltd	20,000	20,000
<b>Total other non-current assets</b>	<b>254,55,877</b>	<b>238,10,180</b>
<b>15 Inventories:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Raw Materials	1165,52,832	1221,48,763
Finished Goods	1126,61,866	1083,96,887
<b>Total inventories</b>	<b>2292,14,698</b>	<b>2305,45,650</b>
<b>16 Trade Receivables:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Unsecured- Considered goods</b>		
Outstanding for more than six months	321,75,388	588,44,360
Others	1386,77,769	904,62,959
<b>Total trade receivables</b>	<b>1708,53,157</b>	<b>1493,07,319</b>
<b>17 Cash &amp; Bank Balance</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	112,48,879	54,41,538
<b>Balance with banks</b>		
In Current accounts	65,12,634	62,24,134
<b>Total cash and bank balance</b>	<b>177,61,513</b>	<b>116,65,671</b>
<b>18 Short-term Loans and Advances:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Loans &amp; Advances</b>		
Sales Tax Refund	-	38,754
Fixed Deposit (Short Term)	-	257,49,612
Branch /Divisions	130,98,662	
<b>Total short-term loans and advances</b>	<b>130,98,662</b>	<b>257,88,366</b>
<b>19 Revenue:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Sale of products	5171,67,501	4406,55,141
Sale of Services		
Less : Excise duty / GST		
<b>Total revenue</b>	<b>5171,67,501</b>	<b>4406,55,141</b>

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

20 Other operating income:	Year Ended 2019	31-03- 2018	Year ended 31-03-2018
Franchise Fee	4,83,137		1,51,736
<b>Total other operating income</b>	<b>4,83,137</b>		<b>1,51,736</b>
<hr/>			
21 Other income:	Year Ended 2019	31-03- 2018	Year ended 31-03-2018
Miscellaneous Income	-		24,500
Discount Received	22,920		1,01,871
Dividend Received - SVC Bank	-		12,075
Fashion Show Event	6,50,000		-
Interest on FD	10,19,973		57,85,638
Reimbursement of Exps			14,37,303
<b>Total other income</b>	<b>16,92,893</b>		<b>73,61,387</b>
<hr/>			
22 Cost of material consumed:	Year Ended 2019	31-03- 2018	Year ended 31-03-2018
<b>Raw material consumed:</b>			
Opening inventories	2305,45,650		1606,63,588
Add : Purchases	3588,66,862		3684,75,261
Add : Direct Exps	249,42,075		152,65,635
	<b>6143,54,587</b>		<b>5444,04,484</b>
Less : Closing inventories	2292,14,698		2305,45,650
<b>Total cost of material consumed</b>	<b>3851,39,889</b>		<b>3138,58,834</b>
<hr/>			
23 Changes in inventories of finished goods, work-in-progress and stock-in-trade	Year Ended 2019	31-03- 2018	Year ended 31-03-2018
<b>Stock at the end of the year:</b>			
Finished goods	1165,52,832		1221,48,763
Raw Materials	1126,61,866		1083,96,887
Total (A)	<b>2292,14,698</b>		<b>2305,45,650</b>
<b>Stock at the beginning of the year:</b>			
Finished goods	1221,48,763		967,88,455
Raw Materials	1083,96,887		638,75,133
Total (B)	<b>2305,45,650</b>		<b>1606,63,588</b>
<b>Increase / (Decrease) in Stock</b>	<b>Total (A - B)</b>	<b>(13,30,952)</b>	<b>698,82,062</b>

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

24 Employee Benefits expenses:	Year Ended 31-03- 2019	Year ended 31-03-2018
Salaries, Wages and Bonus	147,57,314	135,63,651
Remuneration to Directors	59,50,000	48,00,000
Contribution to Provident fund and Pension fund	-	-
Gratuity	-	4,13,044
Welfare and other benefits	1,24,436	4,11,192
<b>Total employee benefits expenses</b>	<b>208,31,750</b>	<b>191,87,887</b>

The disclosure required as per the revised AS 15 is as under:

a) **Retirement Benefits**

The Company has following long term retirement employees benefits:

i) **Defined Contribution Plan:**

The Company's defined contribution plans are Employees' Provident fund and Pension Scheme (under the provision of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952). since the company has no further obligation beyond making the contributions. During the year Company has not paid / provided for mandatory Provident fund.

Charge to the Profit and Loss Account based on Contributions :	Year Ended 31-03- 2019	Year ended 31-03-2018
Provident and Pension fund		-

(ii) **Gratuity and Retirement Benefits.**

**Disclosure for defined benefit plan based on calculation as on 31-03-2018**

**Change in Defined Benefit Obligation**

		Unfunded
Opening defined benefit obligation		
Prior period liability recognised in current period	3,34,000	3,34,000
Interest cost	22,044	22,044
Current service cost	57,000	57,000
Benefits paid		
Actuarial loss / (gain)		
Closing defined benefit obligation	4,13,044	4,13,044

**Change in Fair Value of Assets**

Opening fair value of plan assets		-
Expected return on plan assets		-
Contributions by employer		-
Benefits paid		-
Actuarial gain / (loss)		-
Closing fair value of plan assets		-

**Amount recognized in the Balance Sheet**

Fair value of plan assets as at beginning of the year		-
Actual return on plan assets		-
Contributions		-
Benefits paid		-
Fair value of plan assets as at end of the year		-
Funded status	(4,13,044)	(4,13,044)
Excess of Actual over estimated return on plan assets		-

**Actuarial (gain) / loss recognized**

Actuarial (gain) / loss for the year - plan assets		-
Actuarial (gain) / loss on obligations		-
Actuarial (gain) / loss recognized in the year		-

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### Amount to be recognized in the Balance Sheet and Profit & Loss accounts

Present value of obligation as at the end of the year	4,13,044	4,13,044
Fair value of plan assets as at the end of the year		
Funded status	(4,13,044)	(4,13,044)
Net (Assets) / Liabilities recognized in the Balance Sheet	4,13,044	4,13,044
Prior period liability recognised in current period	3,34,000	3,34,000
Current service cost	57,000	57,000
Interest cost	22,044	22,044
Expected return on plan assets		
Net Actuarial (gain) / loss recognised in the year		
Expenses recognised in the statement of Profit & Loss account	4,13,044	4,13,044

#### Actuarial Assumptions

Discount Rate	-	0
Salary Escalation	-	0

Note: This being the first year of liability of the company toward gratuity payable to employees, hence comparative previous year figure not being given.

#### b) Short Term Employee Benefits

All employees benefits falling due wholly with in twelve months of rendering services are classified as short term employee benefits, which include salaries, wages, bonus, leave encashment ets. The said benefits are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

Leave encashment is provided on the basis of earned leave standing to the credit of the employees and the same is discharged by the company by the year end or in the immediate subsequent year.

25 Finance cost:	Year Ended 31-03-2019	Year ended 31-03-2018
Interest on Term & Working Capital Loans	167,21,897	178,81,339
Processing fees	13,21,214	4,21,828
Financial Charges	5,63,722	6,01,319
Insurance Premium	2,23,860	-
<b>Total finance cost</b>	<b>188,30,692</b>	<b>189,04,485</b>

26 Depreciation and Amortization expenses:	Year Ended 31-03-2019	Year ended 31-03-2018
Depreciation on Tangible Assets	53,69,061	26,61,506
<b>Total depreciation and amortization expenses</b>	<b>53,69,061</b>	<b>26,61,506</b>

27 Other expenses:	Year Ended 31-03-2019	Year ended 31-03-2018
<b>Sales &amp; Distribution expenses</b>		
Sales Promotion	34,32,979	204,52,804
Freight	68,763	28,166
Commission & Discount	28,11,937	24,52,824
Courier charges & Postage	8,80,736	4,62,129
Custom Clearance charges	47,919	66,536
	<b>72,42,334</b>	<b>234,62,459</b>

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

<b>Administration &amp; Other Expenses</b>		
Sundry Expenses	1,11,519	-
Audit Fees	3,25,000	2,01,000
Books & Magazines	21,760	54,769
Conveyance charges	3,45,285	1,10,375
Donation	85,000	15,751
Designing charges paid	-	1,38,421
Electricity charges	24,54,382	24,97,235
Hire charges paid	6,00,000	5,50,000
Insurance Premium	-	3,99,774
Legal Exps	7,91,988	4,67,983
Maintenance charges	13,92,022	15,37,409
Misc Exps W/off IPO issue Exps	-	31,147
ROC & Listing fee	2,11,320	2,03,424
Office Exps	8,50,205	3,20,675
Petrol & Diesel Exps	10,90,835	11,10,380
Printing & Stationery Exps	4,24,568	97,694
Profession Fees Paid	12,55,118	3,68,000
Registration Exps	22,710	-
Rent for Shops	171,07,000	148,94,615
Repair & Maintenance	16,69,223	16,78,920
Security charges paid	10,01,762	7,34,974
Software Exps	2,03,000	11,450
Stamp Duty Exps	-	70,000
Telephone & Internet Charges Paid	2,87,536	2,60,210
Tours & Travel	23,00,794	15,52,483
Service Tax Exps W/off	-	20,41,820
	<b>325,51,027</b>	<b>293,48,509</b>
<b>Total other expenses</b>	<b>397,93,361</b>	<b>528,10,968</b>

<b>28 Contingent Liabilities and commitments (to the extend not provided for)</b>	<b>As At 31-03-2019</b>	<b>As at 31-03-2018</b>
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#### The Company has following ongoing litigation as at 31/03/2019

##### 1. Employees State Insurance Corporation has filed Application ESI No. 28 of 2013 in the Hon'ble Employees Insurance Court.

Case No. ESI No. 28 of 2013 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for recovery of Rs. 7,84,838/-. Company got the recovery stayed through Hon'ble Employees Insurance Court. Employees State Insurance Corporation filed the case alleging that the stay orders are obtained by suppressing or misrepresenting the material facts to obtain orders and hence to award punishment in accordance with law. Application is at the stage of Evidence.

##### 2. ESI Cases filed against our Company.

- Case No. 267/SW/2012 filed for non-payment of contribution for the period February 2007 to December 2011 of Rs. 11,59,373/-.
- Case No. 2512447/2012 filed for non-submission of Return of contribution from April 2006 to September 2011 in due dates i.e. within 42 days from the expiry of contribution period.

Both the cases were filed on October 10, 2012 in Sewree Court, Company has attending the case. The said cases are also pending in E.I. Court Bandra, Mumbai at final stage.

##### 3. Tax Proceeding involving the Company

- Details of outstanding demand in respect of TDS: Amounting to Rs. 22,52,924/- since 2007 to March 2018

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- 4 The Company has filed the Arbitration against G.S. Majestic Developers Pvt Ltd for Rs 6,98,95,800/- in the High Court Mumbai on 30.11.2017 and the case no ARBAPL/1007/2017, The High Court has been appointed Justice Rohan Savant for hearing, the case has been still pending.

#### 29 Disclosure in respect of Lease

##### Operating Lease

(a) Not later than 1 year	130,92,000
(b) Later than 1 year but not later than 5 years	64,92,000
(c) Later than 5 years	-

#### 30 Related parties disclosure :

As At 31-03-2019

As at  
31-03-2018

#### A) Relationships

##### 1) Key Managerial Personnel

- RIYAZ EQBAL GANJI
- RESHMA RIYAZ GANJI
- NISHANT MITRASEN MAHIMTURA
- GOVIND RAO
- Mansi Damania

##### 2) Relatives of Key Managerial Personnel and Entities over which significant influence is exercised by key management personnel or their relatives and with whom transactions have taken place in the ordinary course of business

- Smriti Industries (Proprietary Concern of Director -Nishant Mahimtura)
- Suchitra Mahimtura (Admin Head - Spouse of Nishant Mahimtura)
- Pawan Mahimtura (Hire Charges - Son of Nishant Mahitura)
- Golden Bricks Infrastructure Pvt. Ltd
- Reserve Wines Pvt. Ltd

#### B) Related Parties Transactions

As at 31-03-2019

As at  
31-03-2018

##### Summary of transactions with related parties in the ordinary course of business

##### A) Key Management Personnel

Remuneration paid	54,00,000	50,44,600
Amount payable		

##### B) Relatives of Key Managerial Personnel and Entities over which significant influence is exercised by key management personnel or their relatives.

Salary Paid (Suchitra Mahimutra)	5,50,000	6,18,250
Rent paid		
Purchase of Assets		
Expenses paid	21,99,928	20,86,000

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

<b>C) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with the related parties during the year</b>		
<b>i) Remuneration Paid</b>		
- RIYAZ EQBAL GANJI	24,00,000	18,00,000
- RESHMA RIYAZ GANJI	24,00,000	18,00,000
- NISHANT MITRASEN MAHIMTURA	6,00,000	12,00,000
- GOVIND RAO	80,000	2,44,600
- Raashi Singhi	77,756	-
<b>ii) Salary Paid</b>		
Suchitra Mahimtura	5,50,000	6,18,250
<b>III) Expenses paid</b>		
Commission to Smriti Industries	13,80,000	15,36,000
Hire Charges (Pawan Mahimtura)	6,00,000	5,50,000
Professional Fee (Masi Damania- JMJA and Associates)	2,19,928	-
Professional Fee (Govind Rao)	80,000	2,44,600
<b>iv) Guarantee/Security provided by</b>		
Personal Guarantee of Directors for Loan taken by the Company		
<b>v) Amount Receivable from related parties</b>		
RIYAZ EQBAL GANJI	24,50,635	26,47,654
RESHMA RIYAZ GANJI	41,56,422	34,42,098
Golden Bricks Infrastructure Pvt. Ltd.	12,04,130	NIL
Reserve Wines Pvt. Ltd.	10,000	NIL
Smriti Industries	4,24,983	(23,029)
<b>31 Expenses / Earnings in foreign currency:</b>		
	<b>Year Ended 31-03-2019</b>	<b>As at 31-03-2018</b>
Export	5,54,550	5,65,000
<b>32 Foreign currency exposures:</b>		
(Amount in Foreign Currency )		
	<b>Year Ended 31-03-2019</b>	<b>As at 31-03-2018</b>
Foreign currency exposures that are not hedged as at 31st March:		565000
Total Receivables (USD)		3,71,000

## LIBAS DESIGNS LIMITED

### NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

33 Earnings per share :	Year Ended 31-03- 2019	As at 31-03-2018
Net Profit after tax for the year	354,31,137	291,10,806
- Net Profit attributable to Equity Shareholders	354,31,137	291,10,806
- Number of equity shares of Rs. 10/- each.	112,50,000	75,00,000
- Earnings per share - Basic	3.15	3.88
- Earnings per share -Diluted	3.15	3.88

**34** Closing stock of Finished Goods is valued at net of GST

**35** In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realised, in the ordinary course of the business. The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.

**36** Previous period figures have been regrouped and recast wherever necessary to conform to the current year classification.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For JAIN JAGAWAT KAMDAR & CO.

Chartered Accountants

ICAI Firm Registration no. 122530W

Chandrashekhar Jagawat

Partner

Membership No. -116078

Place : Mumbai

Date: 29th May, 2019

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji

Managing Director

DIN 07576582

Mr. Nishant Mahimtura

Chairman & CFO

DIN 02000572

Place : Mumbai

Date: 29th May, 2019

Mr Riyaz Ganji

Whole Time Director

DIN 02236203

Raashi Singhi

Company Secretary

M No. A55559

**LIBAS DESIGNS LIMITED**

As Per Companies Act 2013

<b>10 Fixed Assets :</b>											
Particulars		Gross Block				Depreciation & Amortisation				Net Book Value	
		As at 01-04-2018	Additions	Disposal	As at 31-03-2019	As at 01-04-2018	For the period	Disposal / Discard	As at 31-03-2019	As at 31-03-2019	As at 31-03-2018
<b>Tangible Assets (Office Premises)</b>	<b>9.50%</b>	112,66,500			112,66,500	8,28,552	9,91,605.05		18,20,157	94,46,342.82	104,37,947.87
<b>Furniture &amp; Fixture</b>	<b>25.89%</b>	116,43,962	58,90,816	-	175,34,778	23,68,839	36,34,112.42	-	60,02,951	115,31,826	92,75,122.79
<b>Office Equipment</b>	<b>45.07%</b>	10,37,132	1,71,044		12,08,176	4,24,324	3,12,418.75		7,36,743	4,71,433	6,12,807.76
<b>Computer Hardware</b>	<b>63.16%</b>	10,85,396	1,38,129	-	12,23,525	5,86,471	3,76,449.55	-	9,62,920	2,60,604	4,98,925.27
<b>Plant &amp; Machinery</b>	<b>18.10%</b>	3,69,122	1,83,800		5,52,922	1,21,529	54,475.66		1,76,005	3,76,917	2,47,592.95
<b>Total (A):</b>		<b>254,02,112</b>	<b>63,83,789</b>	-	<b>317,85,901</b>	<b>43,29,715</b>	<b>53,69,061.43</b>	-	<b>96,98,776</b>	<b>220,87,124</b>	<b>210,72,397</b>
Previous Year:		83,50,787	170,51,324	-	254,02,112	16,68,209	26,61,506	-	43,29,715	210,72,397	66,82,578

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of,

### **LIBAS DESIGNS LIMITED**

#### **Report on the Audit of Consolidated Financial Statements.**

#### **Opinion**

We have audited the accompanying Consolidated Financial Statements of **LIBAS DESIGNS LIMITED**, (“the hereafter referred to as Holding Company”) and its Subsidiary Company “**LIBAS DESIGNS FZE LLC**” which comprise the Consolidated Balance Sheet as at **March 31, 2019**, the Consolidated Statement of Profit and Loss account ((including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated statement of Cash flow for the year ended on that date, and notes to Consolidated Financial Statement and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (“The Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the company as at 31 March, 2019, the Consolidated Profit and total comprehensive income, Consolidated changes in equity and its Consolidated cash flow for the year ended on that date

#### **Basis for Opinion**

While stating our opinion on Consolidated financial statement, we have relied on the audit report of the other auditor in case of incorporating the financial information of component audited by the other auditor in accordance with SA 600, “Using Work of another Auditor”

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated 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 to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	Auditor's Response
	<b>Evaluation of tax positions:-</b>	
1.	The Company as a whole operates in India and Ajman U.A.E. is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct tax, transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the tax litigations, consequently having an impact on related accounting and disclosures in the financial statements.	Our audit procedures include the following substantive procedures: <ul style="list-style-type: none"> <li>• Obtained an understanding of key tax litigations and potential tax exposures</li> <li>• We along with our internal tax experts – <ul style="list-style-type: none"> <li>▪ read and analyzed select key correspondences and consultations carried out by management with external tax experts for key tax litigations and potential tax exposures;</li> <li>▪ discussed with appropriate senior management and evaluated management's underlying key assumptions and grounds of appeal in estimating the tax provisions; and</li> <li>▪ evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment to assess management's estimate of the possible outcome of key tax litigations and potential tax exposures.</li> </ul> </li> </ul>
	<b>Revenue Recognition</b>	
2.	Revenue recognition on SOR Sales.	Our Audit procedure on revenue recognition from Sales or returnable sale included <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of the systems, processes and controls implemented by management for recording such transaction</li> <li>▪ Calculating revenue from those transactions.</li> <li>▪ Reviewing the continuity of supply and the associated contract with the vendors.</li> </ul>

**Other Information.**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total consolidated comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with 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 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and

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

**We have relied on the audit report of the other auditor in case of incorporating the financial information of component audited by the other auditor in accordance with SA 600, "Using Work of another Auditor"**

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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of consolidated financial information of such entities.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

1. As required by 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 Holding Company and its Subsidiary so far as it appears from our examination of those books;

- c. the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss account including other comprehensive Income, Consolidated Statement of change in equity and Consolidated Cash flow statement, dealt with by this report are in agreement with the books of account;
- d. in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss account and Consolidated Cash flow statement comply with the Accounting Standards referred to in section (3C) of 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 31<sup>st</sup> March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of clause (g) of sub-section (1) of section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”, Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us :
  - i. The Holding Company has disclosed the impact, if any, of pending litigations as on 31<sup>st</sup> march, 2019 on its consolidated financial position in its financial statements; **Ref note No. 28**
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The disclosure in the consolidated financial statement regarding holding as well as dealing in specified bank notes during the period from 8 November 2016 to 30 November 2016 have not been made in the Consolidated Financial Statement since they do not pertain to the financial year ended 31<sup>st</sup> March, 2019
- 2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For JAIN JAGAWAT KAMDAR & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 122530W**

**CA Chandrashekhar Jagawat**  
**Partner**  
**M. No:- 116078**  
**Date: 29/05/2019**

## **ANNEXURE 'A' TO AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Libas Designs Limited for the year ended 31st March, 2019.**

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

1. We have audited the internal financial controls over financial reporting of **LIBAS DESIGNS LIMITED** as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Holding Company and its Subsidiary for the year ended on that date.

According to the information provided, in our opinion, to the best of the information and explanation given to us, the Holding company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were effective as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control states in the Guidance Note.

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

2. The respective Board of Directors of Holding Company and its Subsidiary are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company and its Subsidiary 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Holding Company and its Subsidiary 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls 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 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 internal financial control system over financial reporting of the Holding Company and its Subsidiary.

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

4. A Holding Company and its Subsidiary'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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company and its Subsidiary 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 consolidated financial statements.

### **Inherent limitation of internal financial controls over financial reporting.**

5. Because of inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material statement due to error or fraud may occur and not be detected. Also, projections of any evaluation of internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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.

**For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
Firm Regn. No. 122530W**

**CA Chandra Shekhar Jagawat  
Partner  
M. No:- 116078  
Date: 29/05/2019**

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

**As required by section 143(11) of the act, we report, to the extent applicable that:**

1. In respect of the Holding Company and its Subsidiary Company's fixed assets:
  - (a) The Holding Company and its Subsidiary Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Holding Company and its Subsidiary Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the books of accounts Company do not have immovable properties as at balance sheet date and hence clause for ownership of the property do not applicable to company to that extent.
2. The Holding Company and its Subsidiary Company is in the business of Garments manufacturing, trading in fabric and men and women accessories and maintained inventory records. The management has conducted the physical verification at reasonable interval and they do not found any major discrepancies during their verification
3. The Holding Company and its Subsidiary company has granted interest free unsecured advance /loans, to the directors and relatives of Directors of the company covered in the registration maintained under section 189 of the Companies Act 2013, the terms and condition of loan is prejudicial to the interest of the Company. The repayment schedule was not in line with prudential practice. (Refer Note no. 30 to Standalone financials).
4. In our opinion and according to the information and explanations given to us, the Holding Company and its Subsidiary Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Holding Company and its Subsidiary Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company
6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
7. According to information and explanation given to us the Holding Company and its Subsidiary company is regular in depositing undisputed statutory dues including provident fund, employees' state insurances, income-tax, sales tax, wealth tax, service tax, duty of customs, duty excise, value added tax cess and any other statutory dues with the appropriate authorities whether applicable. As such there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six month from the date they became payable except in the case of profession Tax the amount dues exceeding 6 months of Rs. 89,250/-.
8. The Company has taken loans or borrowings from Bank / financial institutions; there is no delay repayment of loan installment.

9. The Company has raised moneys by way of term loan and applied the money raised for the intended purpose and regular in repayment of installments.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The Holding Company and its Subsidiary company has paid managerial remuneration within the limit prescribed U/s 197 read with schedule 5 of the Companies Act 2013
12. The Holding Company and its Subsidiary company is not a Nidhi company; hence the reporting under clauses 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to the information and explanations given to us, the Holding Company and its Subsidiary Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the consolidated financial statements as required by the applicable accounting standards.
14. During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures; hence the reporting under clauses 3(xiv) of the Order is not applicable to the company.
15. In our opinion and according to the information and explanations given to us, during the year the Holding Company and its Subsidiary Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Holding Company and its Subsidiary Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For JAIN JAGAWAT KAMDAR & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**M. No: - 116078**  
**Place: Mumbai**  
**Date: 29/05/2019**

**LIBAS DESIGN LLC**

Registration Number : 0527

**STANALONE BALANCE SHEET AS AT 31st March 2019**

Particulars	Note	As At 31-Mar-2019	
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	37	18,88,900	
Reserves and surplus	38	216,47,662	
		<b>235,36,562</b>	
<b>Non-current Liabilities</b>			
Long Term Borrowings	39	6,88,315	
Deferred Tax Liabilities (Net)			
Other Long Term Liabilities			
Long Term Provisions		-	
		<b>6,88,315</b>	
<b>Current Liabilities</b>			
Short term borrowings			
Trade payables	40		
Belongs to MSME	40A		
Others	40B	34,23,928	
Other current liabilities	41	4,61,836	
Short term provisions			
		<b>38,85,764</b>	
<b>Total Equity &amp; Liabilities</b>		<b>281,10,641</b>	
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	42		
- Intangible assets	42		
- Capital work-in-progress	42		
Non Current investments			
Deferred Tax Assets (Net)			
Long term loans and advances			
Other non current assets			
		-	
<b>Current Assets</b>			
Current investments			
Inventories	43	132,39,188	
Trade receivables	44	87,79,302	
Cash & Bank Balances	45	35,14,936	
Short term loans and advances	46	25,77,215	
		<b>281,10,641</b>	
<b>Total Assets</b>		<b>281,10,641</b>	

For Hussain Al Hashmi Auditing of Accounts

28th May, 2019

For and on behalf of the Board of Directors of  
**Libas Designs LLC**

**Mrs Reshma Ganji**  
Managing Director  
DIN 07576582

**Mr. Nishant Mahimtu**  
Chairman & CFO  
DIN 02000572

**LIBAS DESIGN LLC**

Registration Number : 0527

**STATEMENT OF STANDALONE PROFIT AND LOSS FOR PERIOD ENDED 31ST MARCH, 2019**

	Note	Period Ended 31-03-2019	
<b>Revenue :</b>			
Gross Sales	47	1141,30,927	
Less: Excise duty		-	
Net Sales		1141,30,927	
Other operating income			
Revenue from operations (net)		1141,30,927	
Other income			
<b>Total revenue</b>		<b>1141,30,927</b>	
<b>Expenses :</b>			
Cost of materials consumed	48	906,19,940	
Purchases of stock-in-trade			
Changes in inventories of finished goods, work-in-progress		-	
Employee benefits expenses	49	6,00,670	
Finance costs			
Depreciation and amortization expenses	50	3,72,982	
Other expenses	51	8,89,672	
<b>Total expenses</b>		<b>924,83,265</b>	
Profit before exceptional and extraordinary items and tax		216,47,662	
Add: Exceptional items			
Profit before extraordinary items and tax		216,47,662	
Extraordinary items			
<b>Profit before tax</b>		<b>216,47,662</b>	
<b>Tax expense</b>			
Current tax			
Deferred tax Liability			
(Excess) / Short provision of earlier years			
<b>Profit (Loss) for the period</b>		<b>216,47,662</b>	
<b>Earnings per equity share ( of Rs.10/- each)</b>	33		
(1) Basic			
(2) Diluted			
Significant Accounting policies and Notes on Financial Statements	1 -36		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Hussain Al Hashmi Auditing of Accounts

For and on behalf of the Board of Directors of  
Libas Designs LLC

28th May, 2019

## LIBAS DESIGN LLC

Registration Number : 0527

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR PERIOD ENDED 31/03/2019

	Period Ended 31-03-2019	
<b>A Cash flow from Operating activities</b>		
Net profit before tax and extra ordinary items	216,47,662	-
Adjustments for		-
- Depreciation	-	-
- (Profit) / Loss on sale of Mutual Fund	-	-
- Interest paid on Income Tax	-	-
- Dividend Received	-	-
- Interest Received	-	-
- Interest Paid	-	-
- Gratuity Provided	-	-
	-	-
<b>Operating Profit before working capital changes</b>	<b>216,47,662</b>	-
Adjustments for		-
- (Increase)/Decrease in Trade and other receivables	(87,79,305)	-
- (Increase)/Decrease in Inventories	(132,39,187)	-
- (Increase)/Decrease in Other Receivables	(25,77,219)	-
- (Increase)/Decrease in Short term Loans & Advances	-	-
- (Increase)/Decrease in non current Assets	-	-
- Increase/(Decrease) in other Current Liabilities	34,23,933	-
- Increase/(Decrease) in Trade payable	4,61,836	-
	<b>(207,09,941)</b>	-
<b>Cash generated from operations</b>	<b>9,37,721</b>	-
Direct taxes paid	-	-
<b>Net cash from operating activities</b>	<b>9,37,721</b>	-
<b>B Cash flow from investing activities</b>		
- Interest Received	-	-
- Dividend Income	-	-
- Investment in Fixed Deposit	-	-
- Investments	-	-
- Purchase of fixed assets	-	-
<b>Net cash used in investing activities</b>	-	-
<b>C Cash flow from financing activities</b>		
- Loans borrowed (Net of repayment)	-	-
- Loans Short term borrowed (Net of repayment)	-	-
- Issue of Shares	18,88,900	-
- Net Movement in Shareholder Current Account	6,88,315	-
- Interest paid	-	-
<b>Net cash used in financing activities</b>	<b>25,77,215</b>	-
<b>Net increase / (Decrease) in cash and cash equivalents</b>	<b>35,14,936</b>	-
<b>Cash and cash equivalents at the beginning of the year</b>	-	-
<b>Cash and cash equivalents at the closing of the period</b>	<b>35,14,936</b>	-

**Cash and Bank Balances**

<b>A Cash and cash equivalents</b>		
Cash on hand	35,14,936	-
Balance with banks	-	-
In Current accounts	-	-
	<b>35,14,936</b>	<b>-</b>
<b>B Other Bank Balance</b>		
Margin Money Deposit (Maturity above 3 months)		
	<b>35,14,936</b>	<b>-</b>

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors of  
Libas Designs LLC

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572  
Place : Mumbai  
Date: 29th May,2018

Place : Mumbai  
Date: 29th May, 2019

## LIBAS DESIGN LLC

Registration Number : 0527

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

37 Share Capital:	As At 31-03-2019
<b>Authorized</b> 100 equity shares of AED. 1000 each	18,88,900
<b>Issued, Subscribed and Paid up</b> 100 equity shares of AED. 1000 each	18,88,900
	<b>18,88,900</b>
<b>38 Reserves and Surplus:</b>	<b>As At 31-03-2019</b>
<b>Surplus in Statement of Profit &amp; Loss</b>	
Balance as at beginning of the year	-
Profit for the year	216,47,662
Less: Bonus Shares	
<b>Amount available for appropriation</b>	<b>216,47,662</b>
Less: Appropriations :	
- Amount transferred to Statutory Reserve	9,44,450
- Transitional provision for : Depreciation charge : Deferred Tax	
- Short / Excess Provision for Income Tax for earlier year	
<b>Total appropriations</b>	<b>(9,44,450)</b>
<b>Surplus at end of the year</b>	<b>207,03,212</b>
<b>Statutory reserve</b>	<b>9,44,450</b>
<b>Balance as at end of the year</b>	<b>216,47,662</b>
<b>Total reserves and surplus</b>	<b>216,47,662</b>
<b>39 Long Term Borrowings:</b>	<b>As At 31-03-2019</b>
<b>Secured:</b>	
<b>Unsecured</b>	<b>6,88,315</b>
<b>Total Unsecured Borrowings</b>	<b>6,88,315</b>
<b>Total long-term borrowings</b>	<b>6,88,315</b>
<b>40 Trade Payables:</b>	<b>As At 31-03-2019</b>
Trade payables (Goods)	34,23,928
<b>Total trade payables</b>	<b>34,23,928</b>
40A Trade Payable to MSME	
40B Trade Payable to Others	<b>34,23,928</b>

a) Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Under Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. The Company is in process of complying relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosure have been made in the accounts. However in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of this Act is not expected to be material.

<b>41 Other Current Liabilities:</b>	<b>As At 31-03-2019</b>
Other Payables	4,61,836
<u>Total Other current liabilities</u>	<u>4,61,836</u>
<b>43 Inventories</b>	
Inventories	132,39,188
<u>Total Other current liabilities</u>	<u>132,39,188</u>
<b>44 Trade receivables</b>	
Trade Receivables	87,79,302
<u>Total Other current liabilities</u>	<u>87,79,302</u>
<b>45 Cash &amp; Bank Balances</b>	
Cash & Bank Balance	35,14,936
<u>Total Other current liabilities</u>	<u>35,14,936</u>
<b>46 Short term loans and advances</b>	
Short term loans and advances	25,77,215
<u>Total Other current liabilities</u>	<u>25,77,215</u>
<b>47 Gross Sales</b>	
Gross Sales	1141,30,927
<u>Total Other current liabilities</u>	<u>1141,30,927</u>
<b>48 Cost of materials consumed</b>	
Purchase & Direct Expenses	906,19,959
<u>Total Other current liabilities</u>	<u>906,19,959</u>
<b>49 Employee benefits expenses</b>	
Employee benefits expenses	6,00,670
<u>Total Other current liabilities</u>	<u>6,00,670</u>

**Libas Designs FZE LLC**  
**Ajman Media City Free Zone, Ajman, U.A.E.**

**Notes to the Financial Statements**  
**For the period from 25th December,2018 (Inception) to 31st March, 2019**

**1 Legal status and activities**

- 1.1 Libas Designs FZE LLC was registered in Ajman Media City Free Zone, Ajman on 25th December 2018 as a Free Zone Entity - FZE LLC with pursuant to Amiri Decree No. 8 of 2015 with Business License No. 0527 issued by Ajman Media City Free Zone, Government of Ajman. The registered address of the FZE LLC is A 0059-178-Flamingo Villas, Ajman, U.A.E.
- 1.2 The FZE LLC is managed by Mr. Mohammed Shabbir Sakerwala, an Indian national.
- 1.3 The FZE LLC is primarily engaged in the 4610 - wholesale activity on a fee or contract basis, 7310 - advertising, 7010- activities of head offices and 6420 - activities of holding companies.

**2 Shareholding**

- 2.1 The shareholding of the FZE LLC is as follows:

Name	Origin	No. of shares	Value per share AED	Total value AED	% age
I. M/s. Libas Designs Limited	India	100	1,000	100,000	100
		100		100,000	100

- 2.2 The authorized and paid up share capital of the FZE LLC is AED 100,000/- divided into 100 shares of AED 1000/- each.

**3 Summary of Significant Accounting Policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

**a) Basis of preparation**

- These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and applicable requirements of the U.A.E. Law.
- The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the FZE LLC's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.
- Management believes that the underlying assumptions are appropriate and that the FZE LLC's financial statements therefore fairly present the financial position and results.
- There are no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.



Libas Designs FZE LLC  
Ajman Media City Free Zone, Ajman, U.A.E.

a) **Basis of preparation (Continued)**

i) **Application of new and revised International Financial Reporting Standards (IFRS)**

**New and revised IFRSs applied with no material effect on the financial statements**

- Amendments to IAS 32 "Financial Instruments : Presentation": Offsetting Financial Assets and Financial Liabilities.
- Amendments to IAS 36 "Impairment of Assets": Recoverable amount disclosures for Non-Financial Assets.
- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement":

**New and revised IFRSs Effective for annual periods beginning on or after**

- Annual Improvements to IFRS 2010 - 2012 Cycle July 1, 2014.
- Annual Improvements to IFRS 2011 - 2013 Cycle July 1, 2014.
- IFRS 13 "Fair Value Measurement": scope of the portfolio exception.
- Annual Improvements to IFRS 2012 - 2014 Cycle January 1, 2016.

**New and revised IFRSs in issue but not yet effective**

- The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior periods.
- IFRS 16 - "Leases" (Effective from January 1, 2019).
- IFRS 17 - "Insurance Contracts" (Effective from January 1, 2019).
- Amendment to IFRS 10 - "Consolidated financial statements" (Effective date to be determined).
- IAS 28 - "Investment in Associates" and "Joint Ventures" (Effective date to be determined).
- IFRS 7 "Financial Instruments: Disclosures": additional guidance on servicing contracts.
- IAS 16 "Property, Plant and Equipment": proportionate restatement of accumulated depreciation on revaluation.
- IAS 38 "Intangible Assets": proportionate restatement of accumulated depreciation on revaluation.
- IAS 40 "Investment Property": interrelationship between IFRS 3 and IAS 40.

Management anticipates that the adoption of these standards, amendments and interpretations will have no material impact on the financial statements of the FZE LLC in the period of initial application.

b) **Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).



**Libas Designs FZE LLC**  
**Ajman Media City Free Zone, Ajman, U.A.E.**

**c) Accounting convention**

These financial statements have been prepared under the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under IFRSs.

**d) Functional and presentation currency**

Items included in the financial statements of the FZE LLC are measured using the currency in which the majority of its transactions are denominated ("the functional currency"). The financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the FZE LLC's functional and presentation currency.

**e) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the FZE LLC and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services rendered in the ordinary course of the FZE LLC's activities. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue arising from the sale of goods should be recognized when all of the following criteria have been satisfied such as the seller has transferred to the buyer the significant risks and rewards of ownership, the seller retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the seller, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**f) Critical accounting estimates and judgments**

The preparation of financial statements in conformity with approved accounting standards requires the use of judgments. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

The areas where various assumptions were exercised in application of accounting policies that are significant to the financial statements are as:

- i Useful life of property, plant and equipment.
- ii Allowance for doubtful debts, specific provisions for individual accounts are recorded based on customer's inability to meet its financial obligations.

At the end of each reporting period, management conducts an assessment of each of the assets referred to above to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made and changes are reflected in the financial statements of the period of change and, if material their effects are disclosed in the financial statements. These are explained in the notes on the respective items of assets in the accounting policies.

**g) Foreign currency transactions**

As per IAS 21, Foreign currency transactions should be recorded initially at the rate of exchange at the date of the transaction (use of averages is permitted if they are a reasonable approximation of actual).



**Libas Designs FZE LLC**  
**Ajman Media City Free Zone, Ajman, U.A.E.**

**g) Foreign currency transactions (Continued)**

At each subsequent balance sheet date.

- Foreign currency monetary amounts should be reported using the closing rate
- Non-monetary items carried at historical cost should be reported using the exchange rate at the date of the
- Non-monetary items carried at fair value should be reported at the rate that existed when the fair values were
- Exchange differences arising when monetary items are settled or when monetary items are translated at rates different

**h) Inventory**

As per IAS 2, Inventories are measured at lower of cost and net realizable value. Cost of inventories comprise all costs of purchase, and where applicable costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and estimated costs necessary to make the sale. The cost of closing inventory is determined on the basis of weighted average cost.

**i) Trade receivables**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one period or less they are classified as current assets otherwise as non-current assets. Trade receivables are carried at the invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts at the period-end. Bad debts are written off when identified.

**j) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and - for the purpose of the Statement of Cash Flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statement of Financial Position.

**k) Provisions and accruals**

Liabilities are recognized for amounts to be paid in future for goods and services rendered, whether or not billed to the FZE LLC.

Provisions are recognized when the FZE LLC has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

**l) Staff terminal benefits - Gratuity**

Amounts required to cover end of service indemnity at the balance sheet date are computed pursuant to the United Arab Emirates Federal Labor Law based on the employees' accumulated period of service and current basic remuneration at the balance sheet date.

Employees' end of service benefits are accounted on cash payment basis.



<b>50 Depreciation and amortization expenses</b>	
Company Formation Expenses	3,72,982
<u>Total Other current liabilities</u>	<u>3,72,982</u>
<b>51 Other expenses</b>	
Rent	2,92,780
Communication & Utilities	2,80,502
Legal Expenses	94,445
Printing & Stationery Expenses	94,445
Other Expenses	1,27,501
<u>Total Other current liabilities</u>	<u>8,89,672</u>

**LIBAS DESIGNS LIMITED**

CIN NO. L18101MH2004PLC149489

**CONSOLIDATED BALANCE SHEET AS AT 31st March 2019**

	Note	As At 31-Mar-2019	As At 31-Mar-2018
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	2	1125,00,000	750,00,000
Reserves and surplus	3	1727,35,840	1531,57,040
		<b>2852,35,840</b>	<b>2281,57,040</b>
Share application money pending allotment			
<b>Non-current Liabilities</b>			
Long Term Borrowings	4	6,88,315	-
Deferred Tax Liabilities (Net)	4A	3,31,417	1,33,778
Other Long Term Liabilities	5	172,17,000	160,62,000
Long Term Provisions	5A	-	4,13,044
		<b>182,36,732</b>	<b>166,08,822</b>
<b>Current Liabilities</b>			
Short term borrowings	6	1600,07,611	1213,14,725
Trade payables			
Belongs to MSME	7A	4,86,500	NIL
Others	7B	296,96,572	709,93,251
Other current liabilities	8	285,32,691	398,05,551
Short term provisions	9	-	-
		<b>2187,23,374</b>	<b>2321,13,526</b>
<b>Total Equity &amp; Liabilities</b>		<b>5221,95,946</b>	<b>4768,79,388</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	10	220,87,124	210,72,397
- Intangible assets	10		
- Capital work-in-progress	10		
Non Current investments	11	72,35,216	66,00,000
Deferred Tax Assets (Net)	12	-	-
Long term loans and advances	13	83,79,058	80,89,806
Other non current assets	14	254,55,877	238,10,180
		<b>631,57,275</b>	<b>595,72,382</b>
<b>Current Assets</b>			
Current investments			
Inventories	15	2424,53,886	2305,45,650
Trade receivables	16	1796,32,459	1493,07,319
Cash & Bank Balances	17	212,76,449	116,65,671
Short term loans and advances	18	156,75,877	257,88,366
		<b>4590,38,671</b>	<b>4173,07,006</b>
<b>Total Assets</b>		<b>5221,95,946</b>	<b>4768,79,388</b>

Note: We have consolidated the Audited financials received from the subsidiary taking the exchange rate of 31st March 2019, we are relying on work performed by the other auditor.

For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
ICAI Firm Registration no. 122530W

Chandrashekhar Jagawat  
Partner  
Membership No. -116078

Place: Mumbai  
Date: 29th May, 2019

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572  
Place : Mumbai  
Date: 29th May 2018

Raashi Singhi  
Company Secretary  
M No. A55559

## LIBAS DESIGNS LIMITED

CIN NO. L18101MH2004PLC149489

### STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2019

	Note	Year ended 31-03-2019	Year ended 31-03-2018
<b>Revenue :</b>			
Gross Sales	19	6312,98,428	4406,55,141
Less: Excise duty		-	-
Net Sales		6312,98,428	4406,55,141
Other operating income	20	4,83,137	1,51,736
Revenue from operations (net)		6317,81,565	4408,06,877
Other income	21	16,92,893	73,61,387
<b>Total revenue</b>		<b>6334,74,458</b>	<b>4481,68,263</b>
<b>Expenses :</b>			
Cost of materials consumed	22	4757,59,829	3138,58,834
Purchases of stock-in-trade			
Changes in inventories of finished goods, work-in-progress	23	-	-
Employee benefits expenses	24	214,32,420	191,87,887
Finance costs	25	188,30,692	189,04,485
Depreciation and amortization expenses	26	57,42,043	26,61,506
Other expenses	27	406,83,034	528,10,968
<b>Total expenses</b>		<b>5624,48,019</b>	<b>4074,23,679</b>
Profit before exceptional and extraordinary items and tax		710,26,440	407,44,584
Add: Exceptional items			
Profit before extraordinary items and tax		710,26,440	407,44,584
Extraordinary items			-
<b>Profit before tax</b>		<b>710,26,440</b>	<b>407,44,584</b>
<b>Tax expense</b>			
Current tax		137,50,000	115,00,000
Deferred tax Liability (Excess) / Short provision of earlier years		1,97,640	1,33,778
<b>Profit (Loss) for the period</b>		<b>570,78,800</b>	<b>291,10,806</b>
<b>Earnings per equity share ( of Rs.10/- each)</b>			
(1) Basic	33	5.07	3.88
(2) Diluted			-
Significant Accounting policies and Notes on Financial Statements	1 -36		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
ICAI Firm Registration no. 122530W

Chandrashekhar Jagawat  
Partner  
Membership No. -116078

Place : Mumbai  
Date: 29th May, 2019

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572

Place : Mumbai  
Date: 29th May, 2019

Raashi Singhi  
Company Secretary  
M No. A55559

**LIBAS DESIGNS LIMITED**

CIN NO. L18101MH2004PLC149489

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR PERIOD ENDED 31/03/2019**

	Year ended 31-03-2019	Year ended 31-03-2018
<b>A Cash flow from Operating activities</b>		
Net profit before tax and extra ordinary items	710,26,440	407,44,584
Adjustments for	-	
- Depreciation	53,69,061	26,61,506
- (Profit) / Loss on sale of Mutual Fund	-	
- Interest paid on Income Tax	-	
- Dividend Received	-	(12,075)
- Interest Received	(10,19,973)	(57,85,638)
- Interest Paid	188,30,692	189,04,485
- Gratuity Provided	-	4,13,044
	<b>231,79,781</b>	<b>161,81,322</b>
<b>Operating Profit before working capital changes</b>	<b>942,06,220</b>	<b>569,25,906</b>
Adjustments for	-	
- (Increase)/Decrease in Trade and other receivables	(303,25,143)	(591,29,772)
- (Increase)/Decrease in Inventories	(119,08,235)	(698,82,062)
- (Increase)/Decrease in Loans & Advances	(28,66,471)	(31,11,137)
- (Increase)/Decrease in Short term Loans & Advances	126,89,704	675,81,850
- (Increase)/Decrease in non current Assets	(16,45,697)	(69,03,929)
- Increase/(Decrease) in other Current Liabilities	(220,19,233)	255,63,134
- Increase/(Decrease) in Trade payable	(437,72,270)	120,65,368
	<b>(998,47,346)</b>	<b>(338,16,549)</b>
<b>Cash generated from operations</b>	<b>(56,41,126)</b>	<b>231,09,357</b>
Direct taxes paid	(25,00,000)	(52,05,682)
<b>Net cash from operating activities</b>	<b>(81,41,126)</b>	<b>179,03,675</b>
	-	
<b>B Cash flow from investing activities</b>	-	
- Interest Received	10,19,973	57,85,638
- Dividend Income	-	12,075
- Investment in Fixed Deposit	-	
- Investments	-	(15,00,000)
- Purchase of fixed assets	(63,83,789)	(170,51,324)
<b>Net cash used in investing activities</b>	<b>(53,63,816)</b>	<b>(127,53,611)</b>
	-	
<b>C Cash flow from financing activities</b>	-	
- Loans borrowed (Net of repayment)	7,41,956	10,07,763
- Loans Short term borrowed (Net of repayment)	386,92,886	151,12,110
- Issue of Shares	18,88,900	
- Net Movement in Shareholder Current Account	688315.16	
- Interest paid	(188,30,692)	(189,04,485)
	0	
<b>Net cash used in financing activities</b>	<b>231,81,365</b>	<b>(27,84,613)</b>
	0	
<b>Net increase / (Decrease) in cash and cash equivalents</b>	<b>96,76,424</b>	<b>23,65,451</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>116,00,026</b>	<b>92,34,575</b>
<b>Cash and cash equivalents at the closing of the period</b>	<b>212,76,449</b>	<b>116,00,026</b>

**Cash and Bank Balances**

<b>A Cash and cash equivalents</b>		
Cash on hand	147,63,815	54,41,538
Cheques, drafts on hand		
Balance with banks		
In Current accounts	65,12,634	62,24,134
	<b>212,76,449</b>	<b>116,65,672</b>
<b>B Other Bank Balance</b>		
Margin Money Deposit (Maturity above 3 months)		
	<b>212,76,449</b>	<b>116,65,672</b>

For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
ICAI Firm Registration no. 122530W

Chandrashekhar Jagawat  
Partner  
Membership No. -116078

Place : Mumbai  
Date: 29th May, 2019

For and on behalf of the Board of Directors of  
Libas Designs Limited

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr Riyaz Ganji  
Whole Time Director  
DIN 02236203

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572

Place : Mumbai  
Date: 29th May, 2018

Raashi Singhi  
Company Secretary  
M No. A55559

## LIBAS DESIGNS LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

#### General company profile :

Libas Designs Limited (the 'Company') was incorporated on 10/11/2004 as Private Limited Company under the Companies Act

#### 1 Significant Accounting Policies:

##### (A) Statement of Compliance

The Consolidated Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied by the company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

##### (B) Basis of Preparation & Consolidation:

###### Basis of Preparation

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹). The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. The statement of cash flows have been prepared under indirect method.

###### Basis of Consolidation

The Company consolidates all entities which are controlled by it

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

##### (C) Property, plant and equipment

###### (i) Tangible fixed assets

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

###### (ii) Depreciation:

- 1) Depreciation on fixed assets is provided on written down value method for the period for which the assets have been used. Depreciation on assets is provided over the useful life of assets as prescribed under schedule II of Companies Act, 2013.
- 2) Depreciation on the fixed assets added / disposed off / discarded during the year has been provided on pro rata basis with reference to the date of addition / disposition / discardation.

##### (D) Impairment of Assets :

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(E) Borrowing Costs :**

Borrowing costs directly attributable to the acquisition, construction or production of qualified assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

The borrowing cost eligible for capitalization is being netted off against any income arising on temporary investment of

**(F) Taxes :**

Provision for tax is made for both current and deferred taxes. Provisions for current income tax is determined at the amount of tax payable at the applicable rates in respect of estimated taxable income for the year. The Company provides for deferred tax based on the tax effect of timing difference resulting from the recognition of items in the financial statement and in estimating its current tax provision. Deferred tax assets are recognized if there is a reasonable certainty of realisation. The effect on deferred taxes of a change in tax rates is recognized in the Profit & Loss Account in the period in which it has been enacted or substantively enacted as on the balance sheet date.

**(G) Inventories :**

Items of inventories are measured at lower of cost or net realisable value after providing for obsolescence , if any. Cost of Inventories comprises of cost of purchase , cost of conversion and other costs incurred in bringing them to their respective present location and condition.

Work in - progress and finished goods are valued at lower of cost and net realisable value. Cost of work in progress and finished goods is determined on absorption costing method which include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods.

**(H) Income / Expenses Recognition :**

- (i) Domestic Sales are recognized on dispatch of goods from factory and Export Sales on transfer of significant risk & rewards of ownership of such goods. Sales are disclosed net of sales tax / Value added tax, discounts and sales return as applicable.
- (ii) Revenue from labour job is recognised on the basis of execution of job.
- (iii) The company accounts for excise duty rebate, duty entitlements and other incentives on exports on accrual basis.
- (iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate

**(I) Foreign currency:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the

**(J) Employees Benefits :**

Short Term Employee Benefits are recognised as an expense at the undiscounted amount in the Statement of Profit

**Retirement Benefits :**

- i) Retirement benefits in the form of Provident Fund , which are defined Contribution Plans, are accounted on accrual
- ii) Retirement benefits in the form of Gratuity which is a defined benefit plan and accrued on the basis of an independent
- iii) The actuarial gains/losses arising during the year are recognised in the Statement of Profit & Loss of the year.
- iv) The actuarial valuation is carried at the end of each financial year.

**(K) Lease accounting:**

Operating lease rentals are expensed with reference to lease terms and other consideration.

**(L) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involved substantial degree of estimation in measurement are recognized when there is a present obligation

**(M) Earning per Share**

The company reports basic and diluted earning per share (EPS) in accordance with the Accounting Standard specified

**(N) Cash and cash equivalents :**

Cash and cash equivalents for the purposes of cash-flow statement comprise cash at bank and in hand and short-term

<b>2 Share Capital:</b>	<b>As At 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Authorized</b>		
12,000,000 equity shares of Rs. 10 each	1200,00,000	1100,00,000
<b>Issued, Subscribed and Paid up</b>		
7,500,000 Equity shares of Rs. 10 each fully paid-up	1125,00,000	750,00,000
	<b>1125,00,000</b>	<b>750,00,000</b>

**(a) Rights, preferences and restrictions attached to shares**

(i) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each

(ii) In the event of liquidation of the Company, the holders of the equity shares of the Company will be entitled to receive

**(b) The reconciliation of the number of shares outstanding and the amount of share capital is set out below:**

	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Equity Shares:</b>		
<b>At the beginning</b>		
- Number of shares	75,00,000	75,00,000
- Amount	750,00,000	750,00,000
<b>Addition during the year</b>		
- Number of shares	37,50,000	-
- Amount	375,00,000	-
<b>At the end</b>		
- Number of shares	112,50,000	75,00,000
- Amount	1125,00,000	750,00,000

**© Details of shares held by shareholders holding more than 5% of the aggregate shares in the company**

	<b>As at 31-03-2019</b>		<b>As at 31-03-2018</b>	
	<b>No. of Shares</b>	<b>% of Holding</b>	<b>No. of Shares</b>	<b>% of Holding</b>
- Nishant Mahimtura	30,78,000	27.36	20,60,000	27.47
- Riyaz Ganji	18,73,350	16.65	12,48,900	16.65
- Reshma Ganji	18,52,651	16.47	12,35,100	16.47

<b>3 Reserves and Surplus:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Capital reserve</b>		
<b>Securities Premium account</b>		
Balance as per last Balance sheet	1133,40,671	1160,00,000
Add : Addition During the year	-	-
	1133,40,671	1160,00,000
Less : Public Issue Expenses	-	26,59,329
<b>Balance as at the end of the year</b>	<b>1133,40,671</b>	<b>1133,40,671</b>
<b>General Reserve</b>		
Balance as at beginning of the year		-
Add : Transferred from the statement of profit and loss account		-
		-
Less : Utilised for allotment of Bonus Shares		-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>

**Surplus in Statement of Profit & Loss**

Balance as at beginning of the year	398,16,369	107,05,563
Profit for the year	354,31,137	291,10,806
Less: Bonus Shares		-
<b>Amount available for appropriation</b>	<b>752,47,507</b>	<b>398,16,369</b>
Less: Appropriations :		
- Bonus	375,00,000	
- Transitional provision for : Depreciation charge		
- Short / Excess Provision for Income Tax for earlier year		
<b>Total appropriations</b>	<b>375,00,000</b>	<b>-</b>
<b>Total appropriations</b>		
<b>Balance as at end of the year</b>	<b>377,47,507</b>	<b>398,16,369</b>
<b>Add; Reserve &amp; surplus of the Subsidiary</b>	<b>216,47,662</b>	
<b>Total reserves and surplus</b>	<b>1727,35,840</b>	<b>1531,57,040</b>

Note. Public Issue expenses are writtenoff as per Section 52 of the Companies Act, 2013 from the security premium received.

4 Long Term Borrowings:	As at 31-03-2019	As at 31-03-2019	As at 31-03-2019	As at 31-03-2019
	Current Maturity		Non-current portion	
<b>Secured:</b>				
From UBI Bank *	-	7,92,237	-	7,92,237
<b>Total Unsecured Borrowings</b>	-	<b>7,92,237</b>		<b>7,92,237</b>
Amount disclosed under the head "Short term Borrowing" (refer note 6 )	-	(7,92,237)	-	-
<b>Total long-term borrowings</b>	-	-	-	<b>7,92,237</b>

\* Note:- Secured Against Furniture & fixture of Pune Shop and personal gurantee of Directors

4A Deferred Tax Liabilities (Net):	As at 31-03-2019	As at 31-03-2019
<b>Deferred Tax Liabilities</b>		
- Depreciation	1,97,640	15,634
- Donation		4,340
- Gratuity (Expenses allowable for tax purposes when paid)		1,13,804
	1,97,640	1,33,778
<b>Deferred Tax Assets</b>		
- Provision for employee benefit		
- Unabsorbed Depreciation		-
<b>Total deferred tax liabilities (net)</b>	<b>1,97,640</b>	<b>1,33,778</b>

5 Other Long term Liabilities	As at 31-03-2019	As at 31-03-2018
Franchise security deposit	142,62,000	142,62,000
Rent Deposit- Knoweys Ecom Pvt. Ltd	18,00,000	18,00,000
Madhyam Housing Pvt Ltd	9,51,000	-
Aman Ganji	2,04,000	
Others	6,88,315	
<b>Total Long-term provisions</b>	<b>179,05,315</b>	<b>160,62,000</b>

<b>5A Long-term Provisions / Liabilities:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Provision for Employees Benefit expenses:</b>		
Provision for Gratuity payment	-	4,13,044
Leave Encashment		
<b>Total Long-term provisions</b>	<b>-</b>	<b>4,13,044</b>

Note:- Company has not provided for Gratuity though it was covered under Level-1 in term of definition provided in AS-15

<b>6 Short-term Borrowings:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Secured:</b>		
<b>Working Capital Loan from Union Bank of India</b>		
Cash Credit Hypothecation Accounts *	1521,41,094	1134,98,274
Current maturities of Long-term debts (UBI)	78,66,517	7,92,237
Loan Against Fixed Deposits	-	70,24,214
<b>Total Short-term borrowings</b>	<b>1600,07,611</b>	<b>1213,14,725</b>

\* (a) Working Capital Loan from Union Bank of India are secured against hypothecation of stock & book debts and coeateral

(b) Cash credit is repayable on demand and carries variable interest.

<b>7A Trade Payables:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Trade payables (Goods)	267,59,144	709,93,251
Trade payables (Goods) - Subsidiary	34,23,928	
<b>Total trade payables</b>	<b>301,83,072</b>	<b>709,93,251</b>
<b>7A Trade Payable to MSME</b>	<b>4,86,500</b>	<b>NIL</b>
<b>7B Trade Payable to Others</b>	<b>296,96,572</b>	<b>709,93,251</b>

a) Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006

<b>8 Other Current Liabilities:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Creditor for expense	-	199,61,315
Audit Fees Payable	1,21,654	1,21,654
CST Payable	3,95,254	3,95,254
Sales Tax Payable	2,28,419	2,28,419
Professional Tax Payable	1,31,400	63,125
GST Payable	5,36,913	17,11,014
Provision for Gratuity payment	4,13,044	
Income Tax Payable (A.Y. 2015-16)	13,39,995	13,39,995
Income Tax Provision (A.Y. 2017-18)	30,72,393	30,72,393
Income Tax Provision (A.Y. 2018-19)	63,50,000	115,00,000
Statutory dues (TDS Payable)	17,31,783	14,12,382
Income Tax Provision (A.Y. 2019-20)	137,50,000	-
Other Payables - Subsidiary	4,61,836	
<b>Total other current liabilities</b>	<b>285,32,691</b>	<b>398,05,551</b>

a) Creditors for Expenses are net of advance given to vendors.

<b>9 Short Term provisions:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Current maturities of Long-term provisions of Employees Benefit expenses</b>		
Provision for Leave encashment		
Provision for Gratuity payment	-	

**Other Provisions**

-

**Total short-term provisions**

-

<b>11 Non Current Investment</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Long Term :</b>		
Shares in Shamrao Bank	1,00,000	1,00,000
Union Capital Protection Fund	65,00,000	65,00,000
LIBAS DESIGNS FZE LLC	25,24,116	
<b>Total Non Current Investment</b>	<b>91,24,116</b>	<b>66,00,000</b>
<b>12 Deferred Tax Assets (Net)</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Timing Difference on account of :		
Depreciation		
Employee Benefit		
<b>Total Deferred Tax Assets (Net)</b>		<b>-</b>
<b>13 Long Term Loans &amp; Advances</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Excise Duty Paid	-	-
Advance Tax (AY 2018-19)	25,00,000	25,00,000
Advance Tax (AY 2014-15)	94,171	94,171
Advance Tax (AY 2017-18)	30,00,000	30,00,000
Self Asst. Tax (AY 2015-16)	16,20,000	16,20,000
TDS Received (AY 2017-18)	1,91,805	1,91,805
TDS Received (AY 2011-12)	4,500	4,500
TDS Received (A.Y. 2014-15)	56,504	56,504
TDS Received (A.Y. 2016-17)	5,124	5,124
TDS Received (A.Y. 2018-19)	6,12,181	6,12,181
TDS Received (A.Y. 2020-21)	2,89,252	
TDS Received (FY 2014-15)	5,521	5,521
<b>Total Long Term Loans &amp; Advances</b>	<b>83,79,058</b>	<b>80,89,806</b>
<b>14 Other non-current assets:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Deposits paid against premises taken on lease:</b>		
Peddar Road	13,51,255	13,51,255
Juhu (Shakeel Siddique)	13,50,000	13,50,000
Santacruz		10,00,000
Borivali	5,00,000	5,00,000
Andheri		15,11,000
Delhi	27,11,500	27,11,500
Electricity Deposits	1,09,097	84,147
ESIC Deposits	7,24,838	7,24,838
NSE Listing Deposit		13,60,000
Pune	1,96,416	1,96,416
Harmeet Singh Gulati (Deposits)	5,00,000	5,00,000
R Mall Developers Pvt Ltd (Deposits)	18,00,000	18,00,000
<b>Other Advance</b>		
Advances to vendors	82,46,170	
Sales Tax Refund	38,754	
Choice Equity Demat A/c	5,750	5,750
Concept Manequis		1,51,513
D. Cube Exhibitions		35,500
Global Advertisers	37,260	37,260

Horizon Interiors	-	24,00,000
Javed Maklai	-	4,50,000
Karan Bhardwaj & Ginni	1,10,000	1,10,000
Poonam Enterprises	-	1,00,000
Pioneer Techno Ventures Pvt Ltd	54,000	54,000
Rajan Seth	5,00,000	
Roop Square Pvt Ltd	-	3,50,000
Shree Rani Sati Enterprises	27,00,000	27,00,000
Silver King	6,00,000	4,00,000
The Future Wear Pvt Ltd	15,00,000	15,00,000
Bright Outdoor Media Pvt Ltd	24,00,836	24,07,000
Security Deposit - Garment Manufacturers Pvt Ltd	20,000	20,000

<b>Total other non-current assets</b>	<b>254,55,877</b>	<b>238,10,180</b>
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**0 Current Investments:**

**Unquoted**

7 years National Savings Certificates (Deposited with Central Excise Authority)

**Total current investments**

<b>15 Inventories:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
Raw Materials	1165,52,832	1221,48,763
Finished Goods	1126,61,866	1083,96,887
Inventories (FG) - Subsidiary	132,39,188	
<b>Total inventories</b>	<b>2424,53,886</b>	<b>2305,45,650</b>

<b>16 Trade Receivables:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Unsecured- Considered goods</b>		
Outstanding for more than six months	321,75,388	588,44,360
Others	1386,77,769	904,62,959
Receivables - Subsidiary	87,79,302	
<b>Total trade receivables</b>	<b>1796,32,459</b>	<b>1493,07,319</b>

<b>17 Cash &amp; Bank Balance</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand (Including Subsidiary)	147,63,815	54,41,538
<b>Balance with banks</b>		
In Current accounts	65,12,634	62,24,134
<b>Total cash and bank balance</b>	<b>212,76,449</b>	<b>116,65,671</b>

\* Margin Money Deposits includes deposits of Rs.2,07,075/- ( March 31, 2016 Rs. 1,94,223/-) with maturity for more than 12 months.

\*\* Recurring Deposit includes deposits of Rs.16,88,092/- (March 31, 2016 - Rs. 5,08,025/-) with maturity for more than 12 months.

<b>18 Short-term Loans and Advances:</b>	<b>As at 31-03-2019</b>	<b>As at 31-03-2018</b>
<b>Loans &amp; Advances</b>		
Sales Tax Refund	-	38,754
Fixed Deposit (Short Term)	-	257,49,612
Misc Expenditure to the extent not w/off	-	-
Branch /Divisions	130,98,662	
Short Term Advance - Subsidiary	25,77,215	

<b>Total short-term loans and advances</b>	<b>156,75,877</b>	<b>257,88,366</b>
--	-------------------	-------------------

<b>19 Revenue:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Sale of products	5171,67,501	4406,55,141
Sale of Services		
Less : Excise duty / GST		
Gross Sales - Subsidiary	1141,30,927	
<b>Total revenue</b>	<b>6312,98,428</b>	<b>4406,55,141</b>

<b>20 Other operating income:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Franchise Fee	4,83,137	1,51,736
<b>Total other operating income</b>	<b>4,83,137</b>	<b>1,51,736</b>

<b>21 Other income:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Miscellaneous Income	-	24,500
Discount Received	22,920	1,01,871
Dividend Received - SVC Bank	-	12,075
Profit on Sale of Mutual Fund		
Fashion Show Event	6,50,000	-
Interest on FD	10,19,973	57,85,638
Reimbursement of Exps		14,37,303
<b>Total other income</b>	<b>16,92,893</b>	<b>73,61,387</b>

<b>22 Cost of material consumed:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
<b>Raw material consumed:</b>		
Opening inventories	2305,45,650	1606,63,588
Add : Purchases	3588,66,862	3684,75,261
Add : Direct Exps	249,42,075	152,65,635
	<b>6143,54,587</b>	<b>5444,04,484</b>
Less : Closing inventories	2292,14,698	2305,45,650
Material Consumed - Subsidiary	906,19,959	
<b>Total cost of material consumed</b>	<b>4757,59,847</b>	<b>3138,58,834</b>

<b>23 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
<b>Stock at the end of the year:</b>		
Finished goods	1165,52,832	1221,48,763
Goods-in-transit (Finished Goods)		
Raw Materials	1126,61,866	1083,96,887
Total (A)	<b>2292,14,698</b>	<b>2305,45,650</b>
<b>Stock at the beginning of the year:</b>		
Finished goods	1221,48,763	967,88,455
Goods-in-transit (Finished Goods)		
Raw Materials	1083,96,887	638,75,133
Total (B)	<b>2305,45,650</b>	<b>1606,63,588</b>
<b>Increase / (Decrease) in Stock</b>	<b>Total (A - B)</b>	<b>698,82,062</b>

<b>24 Employee Benefits expenses:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Salaries, Wages and Bonus	147,57,314	135,63,651
Remuneration to Directors	59,50,000	48,00,000
Contribution to Provident fund and Pension fund	-	-
Gratuity	-	4,13,044
Welfare and other benefits	1,24,436	4,11,192
Salaries, Wages and Bonus - Subsidiary	6,00,670	
<b>Total employee benefits expenses</b>	<b>214,32,420</b>	<b>191,87,887</b>

The disclosure required as per the revised AS 15 is as under:

a) **Retirement Benefits**

The Company has following long term retirement employees benefits:

i) **Defined Contribution Plan:**

The Company's defined contribution plans are Employees' Provident fund and Pension Scheme (under the provision of

<b>Charge to the Profit and Loss Account based on Contributions :</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Provident and Pension fund		-

(ii) **Gratuity and Retirement Benefits.**

**Disclosure for defined benefit plan based on calculation as on 31-03-2018**

		<b>Unfunded</b>
<b>Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation		
Prior period liability recognised in current period	3,34,000	3,34,000
Interest cost	22,044	22,044
Current service cost	57,000	57,000
Benefits paid		
Actuarial loss / (gain)		
Closing defined benefit obligation	4,13,044	4,13,044
<b>Change in Fair Value of Assets</b>		
Opening fair value of plan assets		-
Expected return on plan assets		-
Contributions by employer		-
Benefits paid		-
Actuarial gain / (loss)		-
Closing fair value of plan assets		-
<b>Amount recognized in the Balance Sheet</b>		
Fair value of plan assets as at beginning of the year		-
Actual return on plan assets		-
Contributions		-
Benefits paid		-
Fair value of plan assets as at end of the year		-
Funded status	(4,13,044)	(4,13,044)
Excess of Actual over estimated return on plan assets		-
<b>Actuarial (gain) / loss recognized</b>		
Actuarial (gain) / loss for the year - plan assets		-
Actuarial (gain) / loss on obligations		
Actuarial (gain) / loss recognized in the year		
<b>Amount to be recognized in the Balance Sheet and Profit &amp; Loss accounts</b>		
Present value of obligation as at the end of the year	4,13,044	4,13,044
Fair value of plan assets as at the end of the year		
Funded status	(4,13,044)	(4,13,044)
Net (Assets) / Liabilities recognized in the Balance Sheet	4,13,044	4,13,044
Prior period liability recognised in current period	3,34,000	3,34,000
Current service cost	57,000	57,000
Interest cost	22,044	22,044
Expected return on plan assets		
Net Actuarial (gain) / loss recognised in the year		
Expenses recognised in the statement of Profit & Loss account	4,13,044	4,13,044

**Actuarial Assumptions**

Discount Rate	-	0
Salary Escalation	-	0

Note: This being the first year of liability of the company toward gratuity payable to employees, hence comparative previous year figure not being given.

**b) Short Term Employee Benefits**

All employees benefits falling due wholly with in twelve months of rendering services are classified as short term

Leave encashment is provided on the basis of earned leave standing to the credit of the employees and the same is

<b>25 Finance cost:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Interest on Term & Working Capital Loans	167,21,897	178,81,339
Processing fees	13,21,214	4,21,828
Financial Charges	5,63,722	6,01,319
Insurance Premium	2,23,860	-
<b>Total finance cost</b>	<b>188,30,692</b>	<b>189,04,485</b>
<b>26 Depreciation and Amortization expenses:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
Depreciation on Tangible Assets	53,69,061	26,61,506
Deferred Revenue Expenses written off		
Assets Discarded / Impairment		
Amortisation -Subsidiary	3,72,982	
<b>Total depreciation and amortization expenses</b>	<b>57,42,044</b>	<b>26,61,506</b>
<b>27 Other expenses:</b>	<b>Year Ended 31-03-2019</b>	<b>Year ended 31-03-2018</b>
<b>Sales &amp; Distribution expenses</b>		
Sales Promotion	34,32,979	204,52,804
Freight	68,763	28,166
Commission & Discount	28,11,937	24,52,824
Courier charges & Postage	8,80,736	4,62,129
Custom Clearance charges	47,919	66,536
	-	
	<b>72,42,334</b>	<b>234,62,459</b>
<b>Administration &amp; Other Expenses</b>		
Sundry Expenses	1,11,519	-
Audit Fees	3,25,000	2,01,000
Books & Magazines	21,760	54,769
Conveyance charges	3,45,285	1,10,375
Donation	85,000	15,751
Designing charges paid	-	1,38,421
Electricity charges	24,54,382	24,97,235
Hire charges paid	6,00,000	5,50,000
Insurance Premium	-	3,99,774
Legal Exps	7,91,988	4,67,983
Maintainence charges	13,92,022	15,37,409
Misc Exps W/off IPO issue Exps	-	31,147
ROC & Listing fee	2,11,320	2,03,424
Office Exps	8,50,205	3,20,675
Petrol & Diesel Exps	10,90,835	11,10,380
Printing & Stationery Exps	4,24,568	97,694
Profession Fees Paid	12,55,118	3,68,000
Registration Exps	22,710	-
Rent for Shops	171,07,000	148,94,615
Repair & Maintainence	16,69,223	16,78,920
Security charges paid	10,01,762	7,34,974
Software Exps	2,03,000	11,450

Stamp Duty Exps	-	70,000
Telephone & Internet Charges Paid	2,87,536	2,60,210
Tours & Travel	23,00,794	15,52,483
Exps on raising Authorised Capital	-	-
Service Tax Exps W/off	-	20,41,820
Admin Expenses - Subsidiary	8,89,672	
	<b>334,40,699</b>	<b>293,48,509</b>
<b>Total other expenses</b>	<b>406,83,033</b>	<b>528,10,968</b>

28 Contingent Liabilities and commitments (to the extend not provided for)	As At 31-03-2019	As at 31-03-2018
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**The Company has following ongoing litigation as at 31/03/2019**

**1. Employees State Insurance Corporation has filed Application ESI No. 28 of 2013 in the Hon'ble Employees Insurance Court.**

Case No. ESI No. 28 of 2013 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for recovery of Rs. 7,84,838/-. Company got the

**2. ESI Cases filed against our Company.**

· Case No. 267/SW/2012 filed for non-payment of contribution for the period February 2007 to December 2011 of Rs. 11,59,373/-.

· Case No. 251244//2012 filed for non-submission of return of contribution from April 2006 to September 2011 in due dates i.e. within 42 days from the date of contribution. Case filed in Sewree Court, Company has attending the case. The said cases are also pending in E.I. Court Bandra, Mumbai at final stage.

**3. Tax Proceeding involving the Company**

· Details of outstanding demand in respect of TDS: Amounting to Rs. 22,52,924/- since 2007 to March 2018

4 The Company has filed the Arbitration against G.S. Majestic Developers Pvt Ltd for Rs 6,98,95,800/- in the High Court Mumbai on 20.11.2017 and the case no. ARBADI/1007/2017. The High Court has been appointed Justice Rohan Savant for hearing. the case has

**29 Disclosure in respect of Lease Operating Lease**

(a) Not later than 1 year	130,92,000
(b) Later than 1 year but not later than 5 years	64,92,000
(c) Later than 5 years	-

30 Related parties disclosure :	As At 31-03-2019	As at 31-03-2018
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**A) Relationships**

**1) Key Managerial Personnel**

- RIYAZ EQBAL GANJI
- RESHMA RIYAZ GANJI
- NISHANT MITRASEN MAHIMTURA
- GOVIND RAO
- Mansi Damania

**2) Relatives of Key Managerial Personnel and Entities over which significant influence is exercised by keymanagement personnel or their relatives and with whom transactions have taken place in the ordinary course of business**

- Smriti Industries (Proprietary Concern of Director -Nishant Mahimtura)
- Suchitra Mahimtura (Admin Head - Spouse of Nishant Mahimtura)
- Pawan Mahimtura (Hire Charges - Son of Nishant Mahitura)
- Golden Bricks Infrastructure Pvt. Ltd
- Reserve Wines Pvt. Ltd

B) Related Parties Transactions	As at 31-03-2019	As at 31-03-2018
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**Summary of transactions with related parties in the ordinary course of business**

**A) Key Management Personnel**

Remuneration paid	54,00,000	50,44,600
Amount payable		

**B) Relatives of Key Managerial Personnel and Entities over which significant influence is exercised by key management personnel or their relatives.**

Salary Paid (Suchitra Mahimutra)	5,50,000	6,18,250
Rent paid		
Purchase of Assets		
Expenses paid	21,99,928	20,86,000

**C) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with the related parties during the year**

**i) Remuneration Paid**

- RIYAZ EQBAL GANJI	24,00,000	18,00,000
- RESHMA RIYAZ GANJI	24,00,000	18,00,000
- NISHANT MITRASEN MAHIMTURA	6,00,000	12,00,000
- GOVIND RAO	80,000	2,44,600
- Raashi Singhi	77,756	-

**ii) Salary Paid**

Suchitra Mahimtura	5,50,000	6,18,250
--------------------	----------	----------

**III) Expenses paid**

Commission to Smriti Industries	13,80,000	15,36,000
Hire Charges (Pawan Mahimtura)	6,00,000	5,50,000
Professional Fee (Masi Damania- JMJA and Associates)	2,19,928	-
Professional Fee (Govind Rao)	80,000	2,44,600

**iv) Guarantee/Security provided by**

Personal Guarantee of Directors for Loan taken by the Company

**v) Amount Receivable from related parties**

RIYAZ EQBAL GANJI	24,50,635	26,47,654
RESHMA RIYAZ GANJI	41,56,422	34,42,098
Golden Bricks Infrastructure Pvt. Ltd.	12,04,130	NIL
Reserve Wines Pvt. Ltd.	10,000	NIL
Smriti Industries	4,24,983	(23,029)

<b>31 Expenses / Earnings in foreign currency:</b>	<b>Year Ended 31-03-2019</b>	<b>As at 31-03-2018</b>
Export	5,54,550	5,65,000

**32 Foreign currency exposures:**

(Amount in Foreign Currency)

	<b>Year Ended 31-03-2019</b>	<b>As at 31-03-2018</b>
Foreign currency exposures that are not hedged as at 31st March:		565,000
Total Receivables (USD)		3,71,000

<b>33 Earnings per share :</b>	<b>Year Ended 31-03-2019</b>	<b>As at 31-03-2018</b>
Net Profit after tax for the year	354,31,137	291,10,806
- Net Profit attributable to Equity Shareholders	354,31,137	291,10,806
- Number of equity shares of Rs. 10/- each.	112,50,000	75,00,000
- Earnings per share - Basic	3.15	3.88
- Earnings per share -Diluted	3.15	3.88

**34** Closing stock of Finished Goods is valued at net of GST

**35** In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated, if realised, in the

**36** Previous period figures have been regrouped and recast wherever necessary to conform to the current year classification.

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The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For and on behalf of the Board of Directors of  
Libas Designs Limited

For JAIN JAGAWAT KAMDAR & CO.  
Chartered Accountants  
ICAI Firm Registration no. 122530W

Mrs Reshma Ganji  
Managing Director  
DIN 07576582

Mr Riyaz Ganji  
Whole Time Director  
DIN 02236203

Chandrashekhar Jagawat  
Partner  
Membership No. -116078

Mr. Nishant Mahimtura  
Chairman & CFO  
DIN 02000572

Raashi Singhi  
Company Secretary  
M No. A55559

Place : Mumbai  
Date: 29th May, 2019

Place : Mumbai  
Date: 29th May, 2019

**LIBAS DESIGNS LIMITED**

CIN: L18101MH2004PLC149489

**Registered Office: 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 • E-mail: [cs@libas.co.in](mailto:cs@libas.co.in) • Website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com)**

**FORM MGT-11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) rules, 2014]

CIN : L18101MH2004PLC149489

Name of the Company : Libas Designs Limited

Registered Office Address : 401, 4th Floor, Crescent Royale, Off New Link Road  
Lokhandwala Complex, Andheri (West) Mumbai MH 400053  
IN

Website : [www.libasdesignsltd.com](http://www.libasdesignsltd.com)

Name of the member(s): :

Registered address: :

Email Id: :

Folio No./Client Id/DP id :

I/We, being the member (s) of LIBAS DESIGNS LIMITED and holding \_\_\_\_\_ shares of the above named company, hereby appoint

Sr.No.	Name	Address	Email id	Signature	
1.					or failing him
2.					or failing him
3.					

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting (AGM) of the company, to be held on the Monday, September 30, 2019 at 12.00 PM at **Libas Designs Limited, 401, 4<sup>TH</sup> Floor, Crescent Royale, Off Link Road, Lokhandwala Complex, Andheri (West), Mumbai- 400053, Maharashtra** and any adjournment thereof in respect of such resolutions as are indicated below:

**LIBAS DESIGNS LIMITED**

CIN: L18101MH2004PLC149489

Registered Office: 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 • E-mail: [cs@libas.co.in](mailto:cs@libas.co.in) • Website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com)

Resolution No.	Description	FOR*	AGAINST*
<b>Ordinary Business</b>			
1	Adoption of the Audited Financial Statements of the Company for the Financial Year ended March 31st, 2019 together with the reports of the Board of Directors ('the Board') and auditors thereon.		
2	Re-appointment of Mr. Riyaz Ganji, (DIN: 02236203) of the Company who retires by rotation.		
<b>Special Business</b>			
3	Reappoint / ratify the appointment Mr. Nishant Mahimtura, (DIN: 02000572) as an Executive Director of the Company upon completion of seventy years		

Signed this.....day of..... 2019

Signature of shareholder.....

Signature of Proxy holder(s).....

Affix Revenue Stamp
---------------------------

**Note:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. The Proxy need not be a member of the Company.
3. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
4. \*It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

**LIBAS DESIGNS LIMITED**

CIN: L18101MH2004PLC149489

**Registered Office: 401, 4th Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West) Mumbai MH 400053 • E-mail: [cs@libas.co.in](mailto:cs@libas.co.in) • Website: [www.libasdesignsltd.com](http://www.libasdesignsltd.com)**

**ATTENDANCE SLIP**

**15<sup>th</sup> Annual General Meeting on Monday, September 30, 2019.**

Registered Folio No. / DP ID & Client ID :

Name of the Member :

Address of the Member :

Joint holders :

No of shares :

I hereby record my presence at the 15th Annual General Meeting of the Company at Libas Designs Limited, 401, 4th Floor, Crescent Royale, Off Link Road, Lokhandwala Complex, Andheri (West), Mumbai-400053, Maharashtra at 12.00 p.m. on Monday, September 30, 2019.

Name of the shareholder/ proxy\* :

Signature of the shareholder/ proxy :

\*strikeout whichever is not applicable

To,

**Libas Designs Limited,**  
401, Crescent Royale, Off New Link Road,  
Lokhandwala Complex, Andheri (W)  
Mumbai -400053, Maharashtra

### Updation of Shareholders Information

I/We request you to record the following information against my Folio no.

#### General information:

Folio no.	
Name of First named Shareholder	
PAN*	
CIN/Registration No. (applicable to corporate shareholder)	
Tel No. with STD code	
Mobile No.	
Email ID	

\*Self attested copy of the document(s) enclosed

#### Bank Details:

IFSC Code ( 11 Digit)	
MICR Code	
Bank A/c Type	
Bank A/c No.	
Name of the Bank	
Bank branch Address	

\*A blank cancelled cheque is enclosed to enable the verification of the Bank Details.

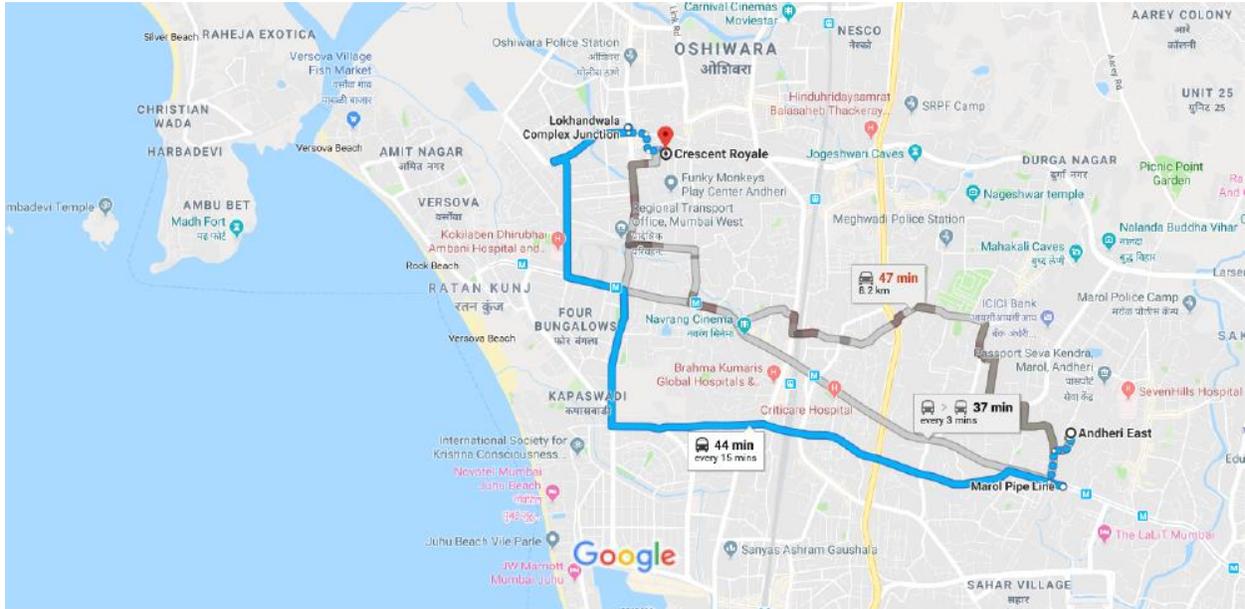
I/We hereby declare that the particulars given above are correct & complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/ RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take places. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No.

**Place:**

**Date:**

**Signature of Sole/First holder:**

**ROUTE MAP TO THE VENUE OF THE 15<sup>TH</sup> ANNUAL GENERAL MEETING**  
**ON MONDAY, SEPTEMBER 30, 2019 AT 12.00 Noon**



RIYAZ GANGJI  
LIBAS

THANK YOU



RIYAZ GANGJI  
LIBAS

Libas Designs Limited  
CIN: L18101MH2004PLC149489  
Regd. Off: 401 Crescent Royale  
Morya Estate, off, Veera Desai Road,  
Mumbai 400-053, Maharashtra.  
Tel: 022 4976 7404 / 7396  
website: [www.libasdesignslt.com](http://www.libasdesignslt.com)  
[Info@libas.co.in](mailto:Info@libas.co.in)