

**18<sup>TH</sup>**  
**ANNUAL REPORT**  
**2021-22**  
**LIBAS CONSUMER PRODUCTS LIMITED**

## Content

Message from the Chairman	3
Management Background	5
Corporate Information	7
Financial Highlights	9
Notice	10
Directors' Report	20
Financial Statement	64

## **CHAIRMAN'S MESSAGE**

**Dear Shareholders,**

I feel extremely happy in presenting the Annual Report of the Company for fiscal 2022.

The operations and the net profit have to be viewed in the global slowdown of economic activity and the pandemic. The GDP growth of India according to the quick estimates has been pitched at 8.7 percent for the year 2021-22. But for the last quarter of the financial year where the GDP growth was only 4.1 percent, the economy would have performed much better exceeding 9 percent which was earlier estimated.

During the Russia-Ukraine war, and even otherwise, India's prestige has soared remarkably. Leaders of the major countries of the world have been seeking our Prime Minister's effective intervention on the Global stage. Quadrilateral Security Dialogue ('QUAD') and BRICS are the examples.

In conclusion, I would commend the tireless efforts made by the management under the dynamic leadership of Shri Riyaz Ganji, Whole-time Director. I would also like to place on record the sincere efforts of the Board members. Finally, my gratitude to the shareholders without whom the Company has little meaning.

I see India gaining in stature in the coming decades. By 2047, hundred years after independence, India should be among the top three countries in the world, economically, militarily, socially, politically and technology wise. Our Company will rise even higher as the years go by.

Thank you and Jai Hind.

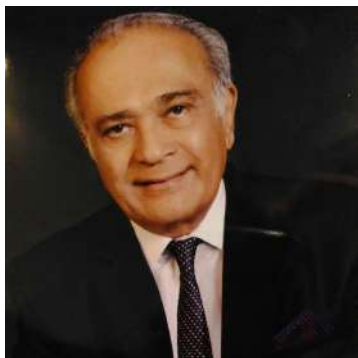
**Nishant Mahimtura**

**Chairman**

### **Disclaimer**

In this annual report, we have disclosed forward-looking information to help investors comprehend our prospects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should know or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, or estimated projected. We undertake no obligation to publicly update any forward-looking statements, whether as a results of new information, future events or otherwise.

## Management Background



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

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



**RIYAZ GANGJI**  
**WHOLETIME DIRECTOR**

- 26+ 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 VandeMataram in 1996.



**RESHMA GANGJI**  
**MANAGING DIRECTOR**

- Graduate from Mumbai University
- Mumbai based International fashion designer having experience of more than 25 years.
- First Indian female designer to represent India at the World Trade Centre (New York).
- Responsible for new designs, management and administrative functions of the Company.

## Board Profile



**RISHI SHARMA**  
**INDEPENDENT DIRECTOR**

- Bachelor of Commerce from University of Bombay.
- 27+ years experience in Garment Production and Corporate Real Estate.



**ASHISH DUBEY**  
**INDEPENDENT DIRECTOR**

- Bachelor of Commerce and LLB from University of Mumbai.
- 9+ years of experience as Practising Advocate in High Court, Bombay in Corporate and Criminal Law.



**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.
- 21+ years in the areas of General Management, Marketing, Sales, Business Development & Healthcare Communications.
- Currently the Group COO at Pinnacle Cancer Centres India & International.

## CORPORATE INFORMATION

### THE BOARD OF DIRECTORS

Mr. Nishant Mahimtura	Director & CFO
Mr. Ashish Dubey	Independent Director
Mrs. Reshma Ganji	Managing Director
Mr. Riyaz Ganji	Wholetime Director
Mr. Vivek Kamath	Independent Director
Mr. Rishi Sharma	Independent Director

### Chief Financial Officer

Mr. Nishant Mahimtura

### Company Secretary cum Compliance Officer

Ms. Nita Mishra

### Registered Office

401, 4<sup>th</sup> Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai-400053, Maharashtra

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

### Statutory Auditor

Jain Jagawat Kamdar & Co.

301-302, Poonam Pearl, Juhu Lane, Andheri (West), Mumbai-400058

Phone: 022-26203021, Website: [www.jjkanco.com](http://www.jjkanco.com)

### Secretarial Auditors

SARK & Associates

215, Gundecha Industrial Estate, Akurli Road, Kandivali (East), Mumbai-400101

Phone: 022-28844639, Website: [www.sarkcs.in](http://www.sarkcs.in)

**Bankers**

Union Bank of India

**Registrar and Share Transfer Agents**

Bigshare Services Private Limited

1<sup>st</sup> Floor, Bharat Tin Works Building, Makwana Road, Marol, Andheri (East), Mumbai-400059

Phone: 022 - 62638200; Fax: +91 - 22 - 62638299;

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

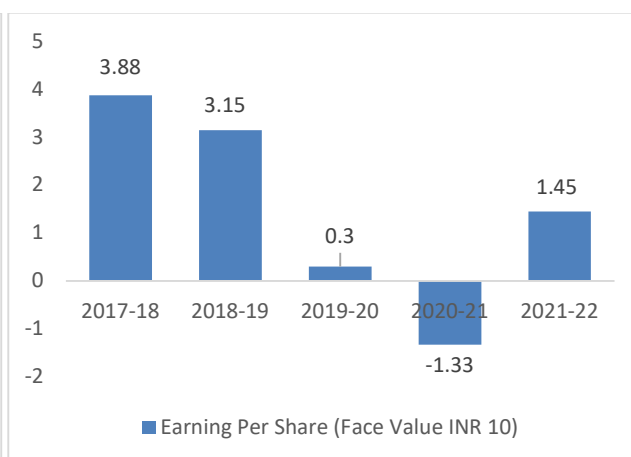
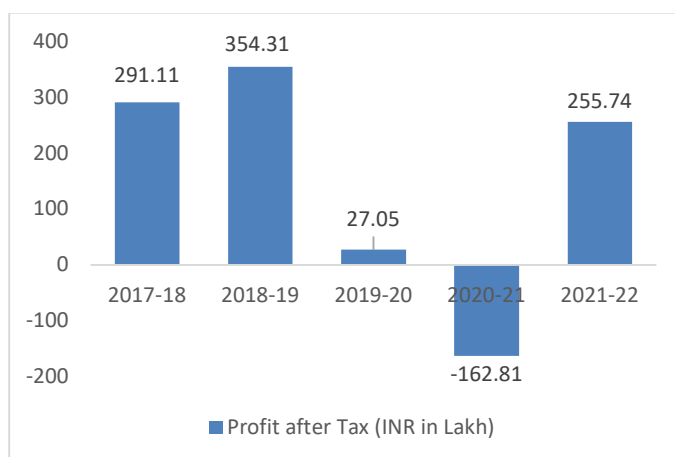
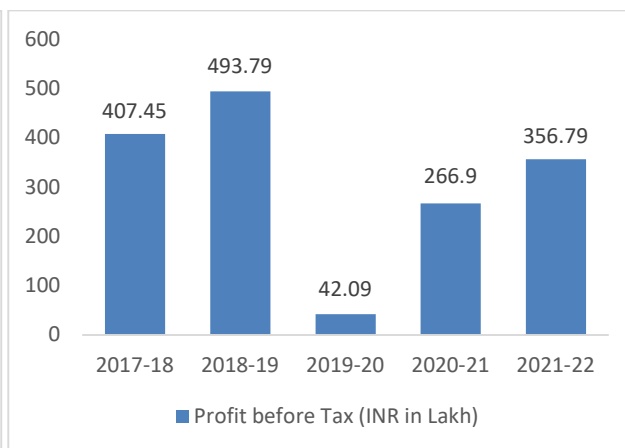
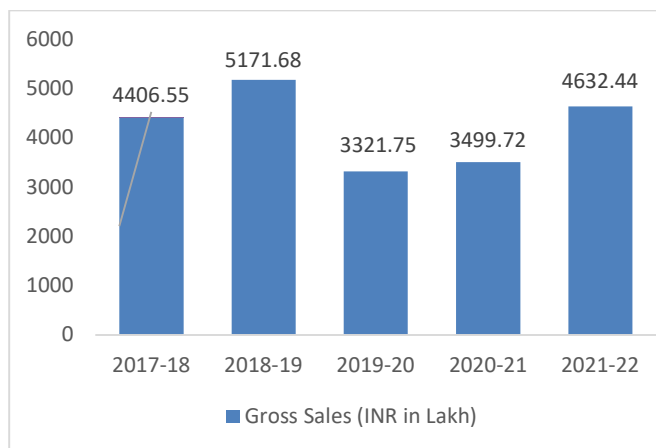
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Shares Listed on**

National Stock Exchange of India Limited



## FINANCIAL HIGHLIGHTS



## NOTICE

(Note: The business of this Meeting is being transacted through electronic voting system)

NOTICE is hereby given that the Eighteenth Annual General Meeting of Members of the LIBAS CONSUMER PRODUCTS LIMITED will be held on Friday, September 23, 2022, at 12:30 P.M. through Video Conferencing (VC)/ Other Audit-Visual Means (OAVM) and venue of the meeting is deemed to be the Registered Office of the Company situated at, 401, 4<sup>th</sup> Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai- 400053, Maharashtra to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the year ended March 31, 2022 and the Report of Auditors thereon.
2. To appoint a director in place of Mr. Riyaz Ganji, (DIN: 02236203) who retires by rotation & being eligible, offer himself for re-appointment.
3. To consider and, if thought fit, to pass following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s Choudhary Choudhary & Co., Chartered Accountants (FRN.: 002910C), Mumbai be and are hereby appointed as Statutory Auditors to hold office of 5 years viz. from conclusion of ensuing 18<sup>th</sup> AGM of the company till the conclusion of 23<sup>rd</sup> AGM to be held in the year 2027 at such remuneration as may be decided by the Board or Committee.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to do all such acts, things and deeds as may be required to give effect to the above mentioned resolution.”

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution, as a **Special Resolution**, of re-appointment of Mr. Rishi Sharma (DIN: 09453515) as an Independent Director:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Rishi Sharma (DIN: 09453515), who holds office of Independent Director up to September 23, 2022 and who has submitted a declaration that he meets the criteria for independence

as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Rishi Sharma's candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for the first term of five consecutive years commencing from December 31, 2021 upto December 30, 2026.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass the following resolution, as an **Ordinary Resolution**, to re-appoint Mr. Riyaz Ganji (DIN: 02236203) as Whole-time Director:

**"RESOLVED THAT** pursuant to the recommendation of the Board of Directors, Nomination and Remuneration Committee and in accordance with the provisions of Section 152, 196, 197, 198, 203 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or reenactment thereof) read with Schedule V of the Companies Act, 2013, Mr. Riyaz Ganji (DIN: 02236203), Whole-time Director (designated as Executive Director) of the Company whose period of office was liable to expire on September 28, 2022, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as Whole-time Director (designated as "Executive Director" by the Board of Directors) of the Company for a period of five years with effect from September 29, 2022 to September 28, 2027, on the payment of remuneration and other terms and conditions as set out below:

Remuneration: a) Fixed Salary: In the range of INR 1,200,000 (Rupees Twelve Lakh only). The fixed salary can be paid as basic salary. Subject to the recommendation of Nomination and Remuneration Committee, the Board of Directors shall have specific authority to revise remuneration not exceeding INR 25,00,000/- per annum.

Sitting Fees: The Managing Director shall be entitled to sitting fees for attending the meetings of the Board of Directors of the Company or committees thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination and Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required

and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions.

**For and on the behalf of,  
LIBAS CONSUMER PRODUCTS LIMITED**

**Riyaz Eqbal Ganji**  
**August 12, 2022**                      **Whole Time Director**  
**Mumbai**                                      **DIN: 02236203**

### **IMPORTANT NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.libasdesignsltd.com](http://www.libasdesignsltd.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 20, 2022 at 09:30 A.M. and ends on Thursday, September, 22, 2022 at 05:00 P.M. The remote e-voting shall be available on the date of AGM also i.e September 23, 2022. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 16, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 16, 2022.

Shareholders/Members, who will be present in the Annual General Meeting through VC/OAVM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through VC/OAVM. However, they will not be eligible to vote again during the meeting.

#### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*





##### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>"Login"</b> which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-</b></li> </ol>

	<p><b>Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  <b>App Store</b>  <b>Google Play</b> </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. <b>NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.



Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the

- .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [compliance@sarkcs.in](mailto:compliance@sarkcs.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Sarita at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@libas.co.in](mailto:cs@libas.co.in).



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@libas.co.in](mailto:cs@libas.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@libas.co.in](mailto:cs@libas.co.in). The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, number of shares, PAN and mobile number at [cs@libas.co.in](mailto:cs@libas.co.in) between 30.08.2022 (9.00 a.m. IST) and 21.09.2022 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

**Item No. 3**

The Board of Directors ("the Board") of the Company, on the recommendation of the Audit Committee ("the Committee"), recommended for the approval of shareholders, the appointment of M/s Choudhary Choudhary & Co., Chartered Accountants, as the Auditor of the Company to hold office from the conclusion of this 18<sup>th</sup> AGM till the conclusion of 23<sup>rd</sup> AGM to be held in 2027.

The Auditor has given their consent to act as the Auditor of the company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Section 139 and 141 of the Act.

Your Directors recommend passing of the resolution as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in this Resolution.

**Item No. 4**

Mr. Rishi Sharma was appointed as an Additional Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, on December 31, 2021 to hold office upto conclusion of this Annual General Meeting.

The Nomination & Remuneration Committee at its Meeting held on August 12, 2022 after taking into account the performance evaluation of these Independent Directors and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the regularisation of Mr. Rishi Sharma as an Independent Directors on the Board of the Company, to hold office for the first term of five consecutive years commencing from December 31, 2021 upto December 30, 2026 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Rishi Sharma for his appointment to the office of Independent Directors.

Brief profile of the above Independent Director is provided:

**Item No. 5**

Mr. Riyaz Ganji was appointed as Whole-time Director to hold office upto September 28, 2022.

The Board of Directors and Nomination and Remuneration Committee, approved re-appointment of Mr. Riyaz Ganji as Whole-time Director for five years from September 29, 2022 to September 28, 2027 at remuneration of INR 12,00,000/- per annum. Subject to the recommendation of Nomination and Remuneration Committee, the Board of Directors shall have specific authority to revise remuneration not exceeding INR 25,00,000/- per annum.

Relevant disclosures are given under table.

Your Directors recommend passing of the resolution as an Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Riyaz Ganji and Mrs. Reshma Ganji, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

For and on the behalf of,

**LIBAS CONSUMER PRODUCTS LIMITED**

**Riyaz Eqbal Ganji**

**August 12, 2022**

**Whole Time Director**

**Mumbai**

**DIN: 02236203**

**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. Rishi Sharma
<b>Age</b>	51 years	53 years
<b>Date of First Appointment</b>	November 10, 2014	December 31, 2021
<b>Qualification</b>		Holds Bachelor of Commerce from University of Bombay.
<b>Profile and Expertise</b>	He is having rich experience of more than 25+ years in the textile industry.	He has more than 27+ years of experience in Garment Production and corporate real estate.
<b>Terms and conditions of appointment/re-appointment</b>	Director liable to retire by rotation	Regularisation as Independent Director
<b>Relationship with other Directors, Manager and Key Managerial Personnel</b>	Mrs. Reshma Ganji (wife)	None
<b>No. of Board Meetings attended during the year</b>	13	2
<b>Number of shares held in the Company, Individually or Jointly</b>	2,719,459	Nil
<b>Directorship and Committee memberships (Excluding Libas)</b>	1. Directorships held in other Companies: a) Golden Bricks Infrastructure Private Limited b) Reserve Wines Private Limited 2. No membership in Committee	Nil

## DIRECTORS' REPORT

To  
The Members,  
Libas Consumer Products Limited,

Your Directors are pleased to present before you the 18<sup>th</sup> Boards' Report for the Company, for the financial year ended March 31, 2022.

### 1. FINANCIAL PERFORMANCE

The financial highlights (standalone) of the Company for the year ended March 31, 2022 are presented below:-

Particulars	31.03.2022(INR)	31.03.2021(INR)
Revenue from operations	463,243,791.00	349,971,717.00
Other income	3,964,951.00	5,405,493.00
Gross Income	467,208,743.00	355,377,210.00
Expenses	431,529,491.00	328,687,625.00
Profit/(Loss) before Tax	35,679,252.00	(16,503,587.00)
Less: Current Tax	8,980,468.00	0.00
Less: Deferred tax	1,124,955.00	(222,955.00)
<b>Net Profit for the year</b>	<b>25,573,829.00</b>	<b>(16,280,632.00)</b>

### 2. FINANCIAL HIGHLIGHTS

The key highlights of the Company's performance based on the Standalone accounts as on March 31, 2022 are reflected as under:

- **Net Worth:** During the FY under review, the Net Worth of the Company stood at INR 32.56 crore as compared to INR 30.15 crore for the previous FY, an increase of 8%.
- **Book Value of Shares:** The Book Value of equity shares stood at INR 18.46 in FY 2021-22 as compared to INR 24.62 in FY 2020-21.
- **Current Ratio:** As on March 31, 2022 the Current Ratio was 2.08 as compared to 1.98 as of March 31, 2021.
- **Debt:** Total debt of the Company has been reduced to INR 9.68 core in FY 2021-22 as companied to INR 17.91 crore inf FY 2020-21, decreased of INR 8.23 crore.
- **Sales Credit Control:** During the FY under review, the debtor's percentage to sales decreased from 56% in FY 2020-21 to 37% in FY 2021-22.

- **Debtors Turnover Ratio:** During the FY under review, the Debtors Turnover Ratio was 2.52 as compared to 2.17 in the previous fiscal.
- **Inventory Turnover Ratio:** During the FY under review, the Inventory Turnover Ratio was 2.84 as compared to 1.97 in FY 2020-21.
- **Net Profit Margin (%):** The Net Profit Margin for FY 2021-22 stood at 5.52% as compared to (4.65)% for FY 2020-21.

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

During the year under review, the profit stood at **INR 2.56 crore** as against loss of **INR 1.63 crore** in the previous year.

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

### 4. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in business activity during the year.

### 5. SHARE CAPITAL STRUCTURE OF THE COMPANY

During the year, the Authorized Share Capital was increased to INR 28 crore and Paid-up Equity Share Capital was increased to INR 17.64 crore of the Company.

#### 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.

#### D) Private Placement/Preferential Allotment

Your Company had not issued shares on Private Placement of Preferential allotment basis.

#### E) Bonus Issue

Your company had issued twice Bonus shares in the ratio of 1:5 (i.e. 1 equity shares allotted for every 5 shares held) and allotted the same in the month of April, 2021 and September, 2021.

## 6. DIVIDEND

Your Directors have not recommended Dividend for the year.

## 7. TRANSFER TO RESERVES

The Directors has not transferred amount to Reserves and Surplus account during the financial year ending March 31, 2022.

## 8. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended from time to time, the company is not required to transfer the unpaid and unclaimed dividend pertaining to the FY 2014-15, as there was no dividend declared during the FY 2014-15.

## 9. 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.

## 10. CONSOLIDATED FINANCIAL STATEMENT

As required under Section 129 of the Act and LODR Regulations, a consolidated financial statements for the year ended March 31, 2022 are attached.

## 11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### i. Directors

The Composition of the Board as on this report date is as follows:

Name of the Director	DIN/PAN	Designation	Category	Date of Appointment
Mr. Nishant Mahimtura	02000572	Director	Promoter Executive	10/11/2004
Mr. Ashish Dubey	07604537	Independent Director	Non-Executive Independent	18/06/2020
Mrs. Reshma Ganji	07576582	Managing Director	Promoter Executive	26/07/2016
Mr. Riyaz Ganji	02236203	Wholetime Director	Promoter Executive	10/11/2004
Mr. Vivek Kamath	07239860	Independent Director	Non-Executive Independent	21/09/2016
Mr. Rishi Sharma	09453515	Independent	Non-Executive	31/12/2021

		Director	Independent	
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The disclosures pertaining to the Equity Shares held and the Remuneration received by the Directors and Key Managerial Personnel's during the Financial Year 2021-22 are disclosed in MGT-7 at link [www.libasdesignsltd.com](http://www.libasdesignsltd.com)

### Changes in the Board

1. Mr. Anand Taggarsari had resigned as an Independent Director with effect from November 16, 2021.
2. Mr. Rishi Sharma was appointed as an Additional Independent Director with effect from December 31, 2021.
3. 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.

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.

### Key Managerial Personnel

There was no change in Key Managerial Personnel during the year

### 12. Listing Fee

The Company has paid the applicable listing fee to the National Stock Exchange of India Limited for the Financial Year 2022-23.

### 13. 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. SARK & Associates, Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2021-22, to undertake the Secretarial Audit of the Company.

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

#### ii. Statutory Auditors

The term of five years of M/s. Jain Jagawat Kamdar & Co, Chartered Accountants (ICAI Firm Registration No. 122530W), has been completed. The Board has recommended shareholders for appointment of M/s Choudhary Choudhary & Co., Chartered Accountants (FRN.: 002910C) as Statutory Auditor from FY 2022-23 onwards till completion of five.



The Auditor's Report to the shareholders on standalone and consolidated financials for the year ended March 31, 2022 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**

There was no Internal Auditor appointed during the year.

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

**Auditors' Report**

Sl. No.	Qualification	Management's Reply
1	We draw your attention that company has not provided Employee Benefits (Defined Benefits) in accordance of Ind AS- 19 during the financial year.	The management is verifying the same and settle the same.
2	We draw your attention that the company has not made provision for undisputed income tax liability of Rs.2.91 Lakhs for the FY 2017-18 and of Rs 59.26 Lakhs for FY 2018-19 therefore the liability for the F.Y.2017-18 and F.Y.2018-19 is understated by Rs.62.17 lakhs and the reserves are overstated by Rs.62.17 Lakhs.	The management is verifying the same and settle the same.
3	The company is yet to obtain ODI permission from RBI for investment in foreign subsidiary.	The management is verifying the same and settle the same.
4	The company has not complied with the Section 138 of Companies Act 2013 for the appointment of Internal Auditor.	Due to covid, the company could not appoint Internal Auditor. The company will comply the same in next year.

**Secretarial Audit Report**

Sl. No.	Qualification	Management's Reply
1	The Company delayed in crediting dividend amount within five days of declaration to separate bank account.	Due to ongoing COVID pandemic, bank staff were working with limited access and made delay process.



2	The company delayed in crediting dividend amount to shareholders within stipulated time of thirty days.	Due to ongoing COVID pandemic, bank staff were working with limited access and made delay process.
3	The company had not appointed Internal Auditor for FY 2021-22.	The Company will comply the same for next year.

## 15. 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:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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;
- 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;
- the directors have prepared the annual accounts on a going concern basis; and
- 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.
- Internal Financial Controls have been laid down to be by the Company and that such internal Financial Controls are adequate and were operating effectively;

## 16. 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.

## 17. 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 II)** 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.

**18. 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.

**19. 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.

**20. 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.

**21. ANNUAL RETURN**

In accordance with the Companies Act, 2013, the Annual Return in the prescribed format is available at [www.libasdesignsltd.com](http://www.libasdesignsltd.com)

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

During the year under review, the Company remain invested in it's wholly owned subsidiary Libas Designs FZE LLC, in the UAE. The details have been mentioned in the financial statement with respect to the same.

**23. 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 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 I)** to the Board Report.

**24. 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

**25. SUBSIDIARY, ASSOCIATES OR JOINT VENTURE**

In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is provided as part of the consolidated financial statement. Hence, a separate report on the performance and financial position of each of the subsidiaries and joint venture companies is not repeated here for the sake of brevity. This includes highlights of performance of Wholly Owned Subsidiary viz. 'Libas Designs FZE LLC' of the Company.

During the year under review, no company has ceased to be subsidiary/joint venture or associate of the Company during FY21.

**26. 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)

**27. 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.

**28. 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.

**29. 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.

**30. 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.

**31. 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

**32. COMMITTEES OF BOARD**

Currently, the board has three committees:

1. Audit Committee,

2. Nomination and Remuneration Committee,
3. Stakeholder Relationship Committee,

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

### **33. RISK MANAGEMENT POLICY**

The Company 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

### **34. 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-II)**, 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 Consumer Products 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 of  
Libas Consumer Products Limited**

**Reshma Riyaz Ganji**  
Managing Director  
DIN: 07576582  
Mumbai  
August 12, 2022

**Nishant Mahimtura**  
Chairman cum Director  
DIN: 02000572  
Mumbai  
August 12, 2022



**ANNEXURE-I  
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: Nil**

**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	On going	On going	On going
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	May 29, 2018	May 29, 2018	May 29, 2018
f)	Amount paid as advances, if any	NA	NA	NA

SL. No	Particulars	Details (4)
a)	Name (s) of the related party & nature of relationship	See My Brand Private Limited
b)	Nature of contracts/arrangements/transaction	Purchases
c)	Duration of the contracts/arrangements/transaction	On going
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	May 08, 2019
f)	Amount paid as advances, if any	NA

**For and On Behalf of the Board of  
Libas Consumer Products Limited**

**Reshma Riyaz Ganji**  
Managing Director  
DIN: 07576582  
Mumbai  
August 12, 2022

**Nishant Mahimtura**  
Chairman cum Director  
DIN: 02000572  
Mumbai  
August 12, 2022



## ANNEXURE II

### 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 endeavors 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, 2020 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, 2022, the Board of Directors comprised of six members. The number of Independent directors on the Board was three.

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 Companies \$	Committee Memberships & (Chairmanship) in other companies @		No. of Shares held in the Company as at 31.03.2022	List of Directorship held in other Listed Companies and Category of Directorship
			Member	Chairman		
Rishi Sharma	Non-Executive Independent Director	-	-	-	-	-

Nishant Mahimtura	Executive Promoter Director	2	-	-	-	-
Reshma Ganji	Executive Promoter Director	-	-	-	2,667,817	-
Riyaz Ganji	Executive Promoter Director	2	-	-	2,719,459	-
Vivek Kamath	Non-Executive Independent Director	1	-	-	-	-
Ashin Dubey	Non-Executive Independent Director	-	-	-	-	-

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

\$ Directorship is including Private Limited Companies but excluding 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. During the year, Thirteen Meetings of the Board of Directors were held on April 8, 2021; May 8, 2021; May 10, 2021; June 14, 2021; June 26, 2021; July 8, 2021; August 13, 2021; September 23, 2021; October 15, 2021; November 18, 2021; December 9, 2021, December 31, 2021 and February 12, 2022.

- ii. The attendance recorded for each of the Directors at the Board Meetings during the year ended on March 31, 2022 and of the last Annual General Meeting is as under:

<b>Directors</b>	<b>No. of Board Meetings attended</b>	<b>Attendance at the Last AGM held on September 14, 2021.</b>
Mr. Anand Taggars	9	Yes
Mr. Nishant Mahimtura	9	Yes
Mr. Ashish Dubey	13	Yes
Mrs. Reshma Ganji	13	Yes
Mr. Riyaz Ganji	13	Yes
Mr. Vivek Kamath	7	No
Mr. Rishi Sharma	2	Not Applicable

**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:**

There was no such Director resigned.

### **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.

**a) 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.

**b) 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. Ashish Dubey	Chairperson	Non-Executive / Independent Director
Mr. Rishi Sharma	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.

**c) Meeting and Attendance during the year**

During the financial year 2021-22, nine (9) meetings of the Audit Committee were held, the details of which are as follows:

Sr. No.	Date of Meeting	Committee Strength	No. of members present
1.	08.04.2021	3	3
2.	08.05.2021	3	3
3.	10.05.2021	3	3
4.	14.06.2021	3	3
5.	26.06.2021	3	3
6.	08.07.2021	3	3
7.	13.08.2021	3	3

8.	15.10.2021	3	2
9.	12.02.2022	3	2

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### a) 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

##### b) Composition

The Nomination and Remuneration Committee comprised of the following members as on March 31, 2022:

Name of the Member	Chairman/Member	Category
Mr. Ashish Dubey	Chairperson	Non-Executive / Independent Director
Mr. Rishi Sharma	Member	Non-Executive / Independent Director

Mr. Vivek Kamath	Member	Non-Executive / Independent Director
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The Company Secretary acts as the Secretary to the Committee.

**c) Meeting and Attendance during the year**

There were three (3) Meeting held during the financial year, the details of which are as follows:

Sr. No.	Date of Meeting	Committee Strength	No. of members present
1.	08.04.2021	3	3
2.	13.08.2021	3	3
3.	31.12.2021	3	3

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

## 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	1,200,000	NIL	NIL	2,719,459
Reshma Ganji	Managing Director	1,200,000	NIL	NIL	2,667,817
Nishant Mahimtura	Director	NIL	NIL	NIL	NIL
Rishi Sharma	Independent Director	NIL	NIL	NIL	NIL
Vivek Kamath	Independent Director	NIL	NIL	NIL	NIL
Ashish Dubey	Independent Director	NIL	NIL	NIL	NIL

## 6. STAKEHOLDER RELATIONSHIP COMMITTEE

### a) 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.

**b) Composition**

The Stakeholders Relationship Committee as on March 31, 2021 comprised of three (3) members:

Name of the Member	Chairman/Member	Category
Mr. Ashish Dubey	Chairperson	Non-Executive / Independent Director
Mr. Rishi Sharma	Member	Non-Executive / Independent Director
Mr. Nishant Mahimtura	Member	Promoter Executive Director

Company Secretary acts as a compliance officer to the Committee.

**c) Stakeholders' / Investors' Complaints:**

The total number of complaints received and resolved during the year ended March 31, 2022 was NIL. There were no complaints outstanding as on March 31, 2022. Summary of Shareholder complaints received during the year under review is as follows:

No of complaints pending as on April 1, 2020	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, 2021	NIL

**d) Meeting and Attendance during the year:**

There was three (3) meeting held during the financial year.

Sr. No.	Date of Meeting	Committee Strength	No. of members present
1.	08.07.2021	3	3
2.	15.10.2021	3	2
3.	12.02.2022	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
2020-21	17 <sup>th</sup> AGM	401, 4 <sup>th</sup> Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai MH 400053	Tuesday, September 14, 2021	12:30 p.m.	6
2019-20	16 <sup>th</sup> AGM	VC/OAVM	Monday, September 30, 2019	03:30 p.m.	4
2018-19	15 <sup>th</sup> AGM	Libas Designs Limited, 401, 4 <sup>th</sup> Floor, Crescent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai MH 400053	Monday, September 30, 2019	12:00 Noon	1

**b. Details of Postal Ballot(s) conducted during the Financial Year 2021-22:**

- 1) Following are details of the Ordinary/Special Resolution passed through e-voting postal ballot:

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: Authorisation u/s 186 of the Companies Act, 2013	July 28, 2021	53,940	52,924	1,016
	Ordinary Resolution: Approval of a proposed upside sharing agreement to be entered into between: (a) Mr. Riyaz Ganji (one of the promoters and a whole-time	July 28, 2021	53,940	52,934	1,006

	director of the Company); and (b) Mr. Ravi Sheth, Mr. Arjun Sheth, Mr. Rahul Sheth and Ravi K Sheth Trust.				
2	Ordinary Resolution: Increase in Authorized Share Capital and consequent amendment to Memorandum of Association of the Company	January 12, 2021	3,051,168	3,050,360	808

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

The Company had appointed M/s SARK & Associates, Company Secretaries in practice, Mumbai as the scrutinizer ("scrutinizer") for conducting postal ballot in a fair and transparent manner.

3) **Procedure for Postal Ballot e-voting:** The procedure for Postal Ballot e-voting is as per the provisions contained in this behalf in the Companies Act, 2013 and rules made thereunder.

## 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.
- The company has published Newspaper advertisement as per clause 47 of the SEBI LODR, 2015.

## 9. GENERAL SHAREHOLDER INFORMATION

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

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

Day	Friday
Date	September 23, 2021

Time	12:30 P.M.
Deemed Venue	401, 4 <sup>th</sup> Floor, Crecent Royale, Off New Link Road, Lokhandwala Complex, Andheri (West), Mumbai-400053, Maharashtra

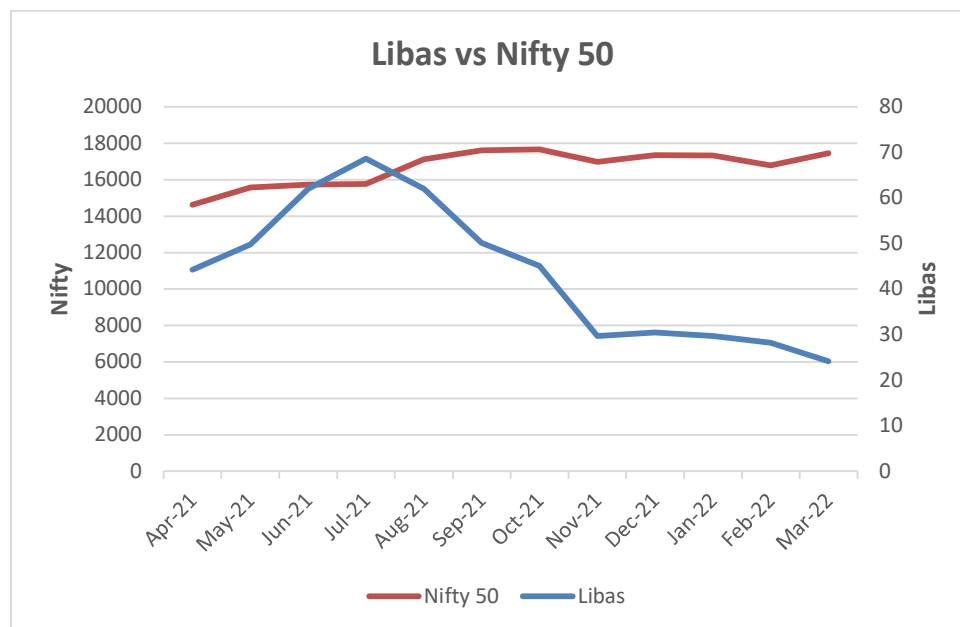
- b. **Financial year:** April 1, 2021 – March 31, 2022
- c. **Dates of Book Closure:** From Saturday, September 17, 2022 to Friday, September 23, 2022 (both days inclusive).
- d. **Dividend Payment Date:** Not Applicable
- e. **Stock Exchange related information:**

<b>Listing on Stock Exchanges</b>	National Stock Exchange of India Limited. "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai – 400051
<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 2020-21

- f.
- i. **Market price Data:**

Month & Year	NSE	
	High	Low
April 2021	53.90	41.00
May 2021	50.20	43.05
June 2021	64.40	50.00
July 2021	76.40	61.25
August 2021	74.30	50.55
September 2021	63.50	49.50
October 2021	54.00	43.65
November 2021	55.25	24.50
December 2021	33.15	28.00
January 2022	34.15	27.80
February 2022	31.80	26.00
March 2022	33.45	23.25

**ii. Performance in comparison to broad based indices:**



**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 Consumer Products 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, 2022.**

**Distribution of Shareholding**

Shareholding of Nominal	Shareholders		Number of Shares	
	Number	% of Total	Shares	% of Total
1-500	15,526	81.88	1,840,490	10.43
501-1000	1,599	8.43	1,239,510	7.03
1001-2000	953	5.03	1,374,794	7.79
2001-3000	310	1.63	781,901	4.43
3001-4000	148	0.78	535,665	3.04
4001-5000	125	0.66	571,552	3.24
5001-10000	181	0.95	1,339,049	7.59
10001-9999999999	120	0.63	9,957,039	56.45
<b>Total</b>	<b>18,962</b>	<b>100.00</b>	<b>17,640,000</b>	<b>100.00</b>

**Category-wise Shareholding**

Category	No. of Shareholders	No. of Shares	% of Total Share as on March 31, 2022
Promoter & Promoter Group	2	5,387,276	30.54
Public	18,646	12,252,724	69.46
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>18,648</b>	<b>17,640,000</b>	<b>100</b>

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

As on March 31, 2022; 17,639,860 Equity Shares (99.9992% 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 2021-22. 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 2021-22.

**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. Riyaz Ganji/ Ms. Nita Mshra	Libas Consumer Products 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 2021-22 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**  
No penalties imposed during the period.
- 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 SARK & Associates, 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.
- 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.



**1. 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>		
<i>Item</i>	<i>Compliance (Yes/No/NA)</i>	<i>status</i>
	refer note below	
Details of business	Yes	
Terms and conditions of appointment of independent directors	Yes	
Composition of various committees of board of directors	Yes	
Code of conduct of board of directors and senior management personnel	Yes	
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes	
Criteria of making payments to non-executive directors	Yes	
Policy on dealing with related party transactions	Yes	
Policy for determining "material" subsidiaries	Yes	
Details of familiarization programmes imparted to independent directors	Yes	
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	Yes	
<b>II. Annual Affirmations</b>		
<i>Particulars</i>	<i>Regulation Number</i>	<i>Compliance (Yes/No/NA)</i>
		<i>status</i>
		refer note below
Independent director(s) have been appointed in terms of specified criteria of "independence" and/or "eligibility"	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes

<i>Code of Conduct</i>	17(5)	Yes
<i>Fees/compensation</i>	17(6)	No fees paid to Independent Directors and Non-Executive Directors
<i>Minimum Information</i>	17(7)	Yes
<i>Compliance Certificate</i>	17(8)	Yes
<i>Risk Assessment &amp; Management</i>	17(9)	Yes
<i>Performance Evaluation of Independent Directors</i>	17(10)	Yes
<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)	Not Applicable
<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)	Yes
<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
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**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

### Statement of Disclosure of Remuneration

Information as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**A. Remuneration Disclosure for Executive Directors and Key Managerial Personnel (KMP) for the financial year ended March 31, 2022**

Sl. No.	Name of the Directors and KMP	Remuneration of Directors/ KMP for the financial year 2021-22	% increase/ decrease in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Riyaz Ganji- Wholtime Director	1,200,000.00	0.00	3.55
2.	Reshma Ganji- Managing Director	1,200,000.00	0.00	3.55
3.	Nita Mishra- Company Secretary	248,200	0.00	1.58

- B.** Percentage increase in the median remuneration of employees in the financial year is 2.50%
- C.** The number of permanent employees on the rolls of the Company as on March 31, 2022 is 14.
- D.** Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year viz. FY22 was 3.18%.
- E.** It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**ANNEXURE III**  
**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended March 31, 2022

*[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 CONSUMER PRODUCTS LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by **LIBAS CONSUMER PRODUCTS 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, 2022** 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.

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, 2022** 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 Non-Convertible Securities) Regulations, 2021; **(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. Registration Act, 1908
10. Indian Stamp Act, 1899
11. The Micro, Small and Medium Enterprises Development Act, 2006
12. Trademarks Act, 1999 (TM Act)
13. 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. *The Company delayed in crediting dividend amount within five days of declaration to separate bank account.*
2. *The company delayed in crediting dividend amount to shareholders within stipulated time of thirty days.*
3. *The company had not appointed Internal Auditor for FY 2021-22.*

**We further report that:**

1. 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.
2. 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.
3. 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.
4. During the financial year, the company allotted bonus shares in the months of April, 2022 and September, 2022.

**SARK & Associates**  
**(Company Secretaries)**

**Sumit Khanna**  
**(Partner)**  
**(ACS: 22135, COP: 9304)**  
**UDIN: A022135D000663479**

**July 21, 2022**  
**Mumbai**

*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 Consumer Products 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.

**SARK & Associates**  
**(Company Secretaries)**

**Sumit Khanna**  
**(Partner)**  
**(ACS: 22135, COP: 9304)**  
**UDIN: A022135D000663479**

**July 21, 2022**  
**Mumbai**



**CFO Certificate**  
**(As per Schedule II of the Listing Regulations)**

- a) We have reviewed financial statements and the cash flow statement of Libas Consumer Products Limited for the year ended March 31, 2022 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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 our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control during the year.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

**For Libas Consumer Products Limited**

**Riyas Ganji**  
**Wholetime Director**

**Nishant Mahimtura**  
**CFO**

**Mumbai**  
**August 12, 2022**

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the Financial Year ended March 31, 2022.

**For Libas Consumer Products Limited**

**Riyas Ganji**  
**Wholetime Director**

**Mumbai**  
**August 12, 2022**

## **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 Consumer Products Limited**

We have examined compliance by Libas Consumer Products Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) relating to corporate governance requirements for the year ended on March 31, 2022.

In our opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

We state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

**Sumit Khanna**  
**(Practicing Company Secretary)**  
**(ACS: 22135, COP: 9304)**

**August 12, 2022**  
**Mumbai**

**UDIN: A022135D000790430**

**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 Consumer Products Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Libas Consumer Products Limited** having CIN L18101MH2004PLC149489 and having registered office at 401, 4<sup>th</sup> 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, 2022 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:

Sr. No.	Name of the Director	DIN	Designation	Date of Appointment in the Company
1	Reshma Ganji	07576582	Managing Director	July 26, 2016
2	Riyaz Ganji	02236203	Wholetime Director	November 10, 2004
3	Nishant Mahimtura	02000572	Executive Director	November 10, 2004
4	V. P. Kamath	07239860	Non-Executive Independent Director	September 21, 2016
5	Ashish Dubey	08766592	Non-Executive Independent Director	June 18, 2020
6	Rishi Sharma	09453515	Non-Executive Independent Director	December 31, 2021

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.

**Sumit Khanna**  
**(Practicing Company Secretary)**  
**(ACS: 22135, COP: 9304)**  
**UDIN: A022135D000790421**

**August 12, 2022**  
**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 retail 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**

Please refer financial statement.

## **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 CONSUMER PRODUCTS LIMITED**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of **Libas Consumer Products Limited** (the "Company"), which comprise the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss (including other Comprehensive Income), and the statement of Cash Flows 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 Standard prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, its *profit* and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

- *We draw your attention that company has not provided Employee Benefits (Defined Benefits) in accordance of Ind AS- 19 during the financial year.*
- *We draw your attention that the company has not made provision for undisputed income tax liability of Rs.2.91 Lakhs for the FY 2017-18 and of Rs 59.26 Lakhs for FY 2018-19 therefore the liability for the F.Y.2017-18 and F.Y.2018-19 is understated by Rs.62.17 lakhs and the reserves are overstated by Rs.62.17 Lakhs.*
- *The company is yet to obtain ODI permission from RBI for investment in foreign subsidiary.*
- *The company has not complied with the Section 138 of Companies Act 2013 for the appointment of Internal Auditor.*

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



### Emphasis of Matter

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 on the other information obtained prior to the date of this auditor's report, 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.

### 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 not found any such matters related to the audit of this standalone financial statement which are to be reported here.

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 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 standalone financial statements.	<p>Our audit procedures include the following substantive procedures:</p> <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 - 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</li> </ul>

		outcome of key tax litigations and potential tax exposures.
	<b>Revenue Recognition</b>	
2.	Revenue recognition on SOR Sales.	<p>Our Audit procedure on revenue recognition from Sales or returnable sale included</p> <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>

### **Responsibilities of Management and Those Charged with Governance 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone 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 is responsible for overseeing the Company's financial reporting process.

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

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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone financial statement dealt with by this report is in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has the pending litigations which would impact its financial position and same has been disclosed in the Note No 33 of the standalone financial statement;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 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 management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received

- by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. Dividend declared and paid during the financial year is in compliance with section 123 of the Companies Act, 2013.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the company has paid managerial remuneration within the limit prescribed by section 197 for maximum permissible managerial remuneration provided to the directors of the company.

**For Jain Jagawat Kamdar & Co**  
**Chartered Accountants**  
**Firm's Registration No: 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**Membership No: 116078**  
**UDIN: 22116078AJXUPR8319**

**Place: Mumbai**  
**Date: May 30, 2022**

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

**Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).**

**With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2022, we report the following:**

- i.
- (a)
    - (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.
    - (B) the company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.
  - (b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

- (c) The company does not hold any immovable property which is not held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- ii.
- a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.
- b) The company has sanctioned working capital limits in excess of five crore rupees, the quarterly statement filed by the company with Bank are in agreement with the books of accounts.
- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.
- iv. The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.
- vi. As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- vii.
- (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable except mentioned below.

Sr. No.	Name of the Statute	Nature of Dues	Demand Raised by	Period to which the amount Relates	Amount (Rupees in Lakhs)
1.	The Income Tax Act, 1961	Income Tax	CPC	A.Y.2018-19	2.91
2	The Income Tax Act,	Income Tax	CPC	A.Y.2019-20	76.76



	1961				
3	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Profession Tax	-	-	2.39

- (b) According to the information and explanations given to us, there are not any statutory dues referred in sub-clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.

viii. In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix.
- In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
  - In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
  - In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
  - In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
  - In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- x.
- The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
  - In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year. Therefore, the provisions of Clause (x)(b) of paragraph 3 of the order are not applicable to the Company.

- xi.
- We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year. Therefore, the provisions of Clause (xi) (a) of paragraph 3 of the order are not applicable to the Company.
  - During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and

Auditors) Rules, 2014 with the Central Government. (c) As auditor, we did not receive any whistle-blower complaint during the year. Therefore, the provisions of Clause (xi) (b) of paragraph 3 of the order are not applicable to the Company.

- xii. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.
- xiii. As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the Standalone financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company. **(Refer Note no: 31 of Standalone Financial Statement).**
- xiv. **The company is a listed entity and covered by section 138 of the Companies Act, 2013. The company has not complied the provisions of Clause (xiv) (a) and (b) of paragraph 3 of the order.**
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company. (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvi.
  - a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
  - c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d) As per the information and explanations received, the group does not have any CIC as part of the group.
- xvii. The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- xviii. There has been no resignation of the previous statutory auditors during the year. Therefore, the provisions of Clause (xviii) of paragraph 3 of the order are not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. **(Refer Note no: 35 of Standalone Financial Statement)**
- xx. The provisions of Section 135 are not applicable to company during the current financial year therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.
- xxi. No any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For Jain Jagawat Kamdar & Co**  
**Chartered Accountants**  
**Firm's Registration No: 122530W**



CA Chandra Shekhar Jagawat

Partner

Membership No: 116078

UDIN: 22116078AJXUPR8319

Place: Mumbai

Date: May 30, 2022

**"Annexure B" to the Independent Auditors' Report on the standalone financial statements of Libas Consumer Products Limited**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of **Libas Consumer Products Limited** ("the Company") as of **31 March 2022** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at **31 March 2022**, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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's Registration No: 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**Membership No: 116078**  
**UDIN: 22116078AJXUPR8319**

**Place: Mumbai**  
**Date: May 30, 2022**

**LIBAS CONSUMER PRODUCTS LIMITED**  
**CIN : L18101MH2004PLC149489**  
**Standalone Balance Sheet as at March 31, 2022**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>A) Non-current assets</b>			
Property, Plant and Equipment	2	1,38,79,319	1,67,81,108
Right-of-use assets	3	9,86,040	1,78,85,027
Financial Assets			
Investments	4	61,74,116	61,74,116
Other Financial Assets	5	50,70,219	62,83,540
Other non - current assets	6	7,33,16,867	7,24,57,327
<b>Total Non Current assets</b>		<b>9,94,26,560</b>	<b>11,95,81,118</b>
<b>B) Current assets</b>			
Inventories	7	29,07,78,649	20,99,96,552
Financial Assets			
Trade receivables	8	17,05,82,757	19,76,48,524
Cash and cash equivalents	9	72,14,380	5,51,16,961
Other current assets	10	1,24,75,734	-
<b>Total Current assets</b>		<b>48,10,51,521</b>	<b>46,27,62,037</b>
<b>Total Assets</b>		<b>58,04,78,082</b>	<b>58,23,43,156</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	17,64,00,000	12,25,00,000
Other Equity	12	14,92,37,885	17,90,34,055
<b>Total Equity</b>		<b>32,56,37,885</b>	<b>30,15,34,055</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Long term Borrowing	13	-	2,27,23,479
Other financial liabilities	14	1,33,83,822	2,15,99,986
Provisions	15	88,00,010	18,03,393
Deferred Tax Liabilities	16	18,16,771	6,91,816
<b>Total Non-current liabilities</b>		<b>2,40,00,603</b>	<b>4,68,18,674</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	17	9,68,28,404	15,63,60,789
Trade payables	18	12,60,99,251	5,95,63,834
Other financial liabilities	19	71,32,224	1,01,14,446
Provisions	20	7,79,715	79,51,358
<b>Total Current liabilities</b>		<b>23,08,39,594</b>	<b>23,39,90,426</b>
<b>Total Equity and Liabilities</b>		<b>58,04,78,082</b>	<b>58,23,43,156</b>

Significant Accounting Policies

1

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

2-36

In terms of our report of even date

**For Jain Jagawat Kamdar & Co**

**Chartered Accountants**

**FRN No. 122530W**

**CA Chandra Shekhar Jagawat**

**Partner**

**Mem.No. 116078**

**Date : 30th May, 2022**

**Place: Mumbai**

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

**LIBAS CONSUMER PRODUCTS LIMITED**

**Reshma Ganji**

**Managing Director**

**DIN 07576582**

**Riyaz Ganji**

**Whole Time Director**

**DIN 02236203**

**Nishant Mahimtura**

**Director & CFO**

**DIN 02000572**

**Date : 30th May, 2022**

**Place: Mumbai**

**Nita Mishra**

**Company Secretary**

**Mem.No.A39489**

<b>LIBAS CONSUMER PRODUCTS LIMITED</b> <b>CIN : L18101MH2004PLC149489</b> <b>Standalone Cash Flow Statement for the Year Ended 31st March, 2022</b>		
	(Amount in Rs.)	
Particulars	Year Ended 31-Mar-22	Year Ended 31-Mar-21
<b>Operating activities</b>		
Profit Before Tax	3,56,79,252	(1,65,03,587)
<b>Adjustments to reconcile profit before tax to net cash in</b>		
Depreciation and amortisation expenses	87,41,423	1,39,05,276
Interest Income	(32,08,099)	(54,05,493)
Extra Ordinary Item	-	11,37,521
Interest Paid	1,85,60,770	2,35,58,607
	<b>5,97,73,346</b>	<b>1,66,92,325</b>
<b>Working capital adjustments :-</b>		
(Increase) / Decrease in Trade and Other Receivables	2,70,65,767	(7,29,87,750)
(Increase) / Decrease in Inventories	(8,07,82,097)	2,42,28,791
(Increase) / Decrease in Other Non-Current Assets	(8,59,540)	5,61,06,501
(Increase) / Decrease in Other Non-Current Financial Assets	12,13,322	3,924
(Increase) / Decrease in Other Current Assets	(1,24,75,734)	-
(Increase) / Decrease in Provision	(91,55,494)	-
(Increase) / Decrease in Other Current Financial Assets	-	-
Increase / (Decrease) in Trade and Other Payables	6,65,35,417	2,33,00,999
Increase / (Decrease) in Other Financial Liabilities	(29,82,222)	(1,12,20,171)
	<b>4,83,32,765</b>	<b>3,61,24,618</b>
Direct taxes paid (Net of Refunds)	-	(1,00,00,000)
<b>Net cash flow from operating activities</b>	<b>4,83,32,765</b>	<b>2,61,24,618</b>
<b>Investing activities</b>		
Dividend Received		
Proceeds / (Purchase) of Investments	-	15,00,000
(Addition)/Deletion in Right of use Asset	1,11,24,781	30,00,411
Purchase of fixed assets	(65,428)	(12,88,114)
Interest received	32,08,099	54,05,493
<b>Net cash flow used in investing activities</b>	<b>1,42,67,452</b>	<b>86,17,790</b>
<b>Financing activities</b>		
Proceeds form issues of Borrowings (Net)	(8,22,55,864)	1,79,42,141
Proceeds / Payment of Lease Liability	(82,16,164)	(69,65,692)
Dividend Paid	(14,70,000)	
Interest paid	(1,85,60,770)	(2,35,58,607)
<b>Net cash flow from financing activities</b>	<b>(11,05,02,798)</b>	<b>(1,25,82,158)</b>
<b>Increase in cash and cash equivalents</b>	<b>(4,79,02,581)</b>	<b>2,21,60,249</b>
Cash and cash equivalents at the beginning of the year	5,51,16,961	3,29,56,711
Cash and cash equivalents at the end of the year	<b>72,14,380</b>	<b>5,51,16,961</b>
Components of Cash and Cash Equivalents at the end of year		
Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Cash on hand	67,60,646	5,49,42,787
Balance with banks	4,53,734	1,74,174
<b>Cash and Cash Equivalents (closing)</b>	<b>72,14,380</b>	<b>5,51,16,961</b>
<b>Note :</b> The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.		
<i>This is the Cash Flow Statement referred to in our audit report of even date</i> In terms of our report of even date		
<b>For Jain Jagawat Kamdar &amp; Co</b> Chartered Accountants  <b>CA Chandra Shekhar Jagawat</b> Partner Mem.No. 116078	<b>For and on behalf of the Board of Directors</b> <b>LIBAS CONSUMER PRODUCTS LIMITED</b>  Reshma Ganji                      Riyaz Ganji Managing Director              Whole Time Director DIN 07576582                      DIN 02236203  Nita Mishra                      Nishant Mahimtura Company Secretary              Director & CFO Mem.No.A39489                      DIN 02000572  Date : 30th May, 2022              Date : 30th May, 2022 Place: Mumbai                      Place: Mumbai	

## LIBAS CONSUMER PRODUCTS LIMITED

CIN : L18101MH2004PLC149489

Standalone Profit &amp; Loss For the Year Ended March 31, 2022

(Amount in Rs.)

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>INCOME</b>			
Revenue From Operations	21	46,32,43,791	34,99,71,717
Other Income	22	39,64,951	54,05,492
<b>Total Income</b>		<b>46,72,08,743</b>	<b>35,53,77,210</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	23	42,70,11,671	26,22,24,907
Changes in inventories of finished goods, WIP and Stock-in-trade	24	(4,84,69,258)	1,45,37,275
Employee benefits expenses	25	55,41,832	64,25,051
Finance costs	26	1,85,60,770	2,35,58,607
Depreciation and amortisation expenses	27	87,75,298	1,39,05,276
Other expenses	28	2,01,09,178	80,36,510
<b>Total expenses</b>		<b>43,15,29,491</b>	<b>32,86,87,625</b>
<b>Profit before Tax and Exceptional and Extra Ordinary Items</b>		<b>3,56,79,252</b>	<b>2,66,89,585</b>
<b>Exceptional and Extra Ordinary Items</b>		<b>-</b>	<b>(4,31,93,172)</b>
<b>Profit Before Tax</b>		<b>3,56,79,252</b>	<b>(1,65,03,587)</b>
Tax expense:	29		
(1) Current tax		89,80,468	-
(2) Deferred tax		11,24,955	(2,22,955)
<b>Total tax expenses</b>		<b>1,01,05,422</b>	<b>(2,22,955)</b>
<b>Profit/ (loss) for the year (A)</b>		<b>2,55,73,829</b>	<b>(1,62,80,632)</b>
<b>Other Comprehensive Income</b>			
<b>Items not to be reclassified subsequently to profit or loss</b>			
- Re-measurement gains / (Loss) on defined benefits plans		-	-
- income Tax effect on above		-	-
<b>Other Comprehensive Income for the Year (B)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>2,55,73,829</b>	<b>(1,62,80,632)</b>
<b>Earnings per equity share:</b>	30		
<b>Equity shares of Par value of Rs. 10 /-each</b>			
Basic		1.45	(1.33)
Diluted		1.45	(1.33)

In terms of our report of even date  
**For Jain Jagawat Kamdar & Co**  
Chartered Accountants  
FRN No. 122530W  
CA Chandra Shekhar Jagawat  
Partner  
Mem.No. 116078

Date : 30th May, 2022  
Place: Mumbai

For and on behalf of the Board of Directors  
**LIBAS CONSUMER PRODUCTS LIMITED**

Reshma Ganji  
Managing Director  
DIN 07576582

Nita Mishra  
Company Secretary  
Mem.No.A39489

Date : 30th May, 2022  
Place: Mumbai

Riyaz Ganji  
Whole Time Director  
DIN 02236203

Nishant Mahimtura  
Director & CFO  
DIN 02000572

**Statement of Changes in Equity for the Year ended March 31, 2022**

**(A) Equity share capital**

Particulars	Number	Amount in Rs.
Equity shares of Rs. 10 each issued, subscribed and paid		
<b>As at 01 April 2018</b>	<b>75,00,000</b>	<b>7,50,00,000</b>
Issue of Bonus equity shares	37,50,000	3,75,00,000
<b>As at 31 March 2019</b>	<b>1,12,50,000</b>	<b>11,25,00,000</b>
Issue of equity shares	10,00,000	1,00,00,000
<b>As at 31 March 2020</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>
Issue of equity shares	-	-
<b>As at 31 March 2021</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>
Issue of Bonus equity shares	53,90,000	5,39,00,000
<b>As at 31 March 2022</b>	<b>1,76,40,000</b>	<b>17,64,00,000</b>

**B) Other equity**

**(Amount in Rs)**

Particulars	Reserves and surplus		Other comprehensive	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Re-measurement gains / (losses) on defined benefits plans	
<b>As at 01 April 2018</b>	<b>11,33,40,671</b>	<b>3,84,24,168</b>	<b>-</b>	<b>15,17,64,839</b>
Total comprehensive income for the year	-	3,38,28,789	93,586	3,39,22,375
Bonus Issue		(3,75,00,000)	-	(3,75,00,000)
<b>As at 31 March 2019</b>	<b>11,33,40,671</b>	<b>3,47,52,957</b>	<b>93,586</b>	<b>14,81,87,214</b>
Addition during the year	4,40,00,000	-	-	4,40,00,000
Total comprehensive income for the year	-	34,27,443	2,12,192	36,39,635
<b>As at 31 March 2020</b>	<b>15,73,40,671</b>	<b>3,81,80,400</b>	<b>3,05,777</b>	<b>19,58,26,849</b>
Addition during the year	-			-
Total comprehensive income for the year	-	(1,62,80,632)		(1,62,80,632)
Adjustment of Ind AS		(5,12,161)		(5,12,161)
<b>As at 31 March 2021</b>	<b>15,73,40,671</b>	<b>2,18,99,768</b>	<b>3,05,777</b>	<b>17,90,34,055</b>
Addition during the year	-	-		-
Bonus Issue		(5,39,00,000)	-	(5,39,00,000)
Dividend		(14,70,000)	-	(14,70,000)
Total comprehensive income for the year	-	2,55,73,829		2,55,73,829
Adjustment of Ind AS		-		-
<b>As at 31 March 2022</b>	<b>15,73,40,671</b>	<b>(78,96,403)</b>	<b>3,05,777</b>	<b>14,92,37,885</b>

This is the Statement of Changes in Equity referred to in our audit report of even date

**For Jain Jagawat Kamdar & Co**  
Chartered Accountants  
FRN No. 122530W

**CA Chandra Shekhar Jagawat**  
Partner  
Mem.No. 116078

**For and on behalf of the Board of Directors**  
**LIBAS CONSUMER PRODUCTS LIMITED**

**Reshma Ganji**  
Managing Director  
DIN 07576582

**Riyaz Ganji**  
Whole Time Director  
DIN 02236203

**Nita Mishra**  
Company Secretary  
Mem.No.A39489

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

**Date : 30th May, 2022**  
**Place: Mumbai**

**Date : 30th May, 2022**  
**Place: Mumbai**

**LIBAS CONSUMER PRODUCTS LIMITED**  
**Notes to standalone financial statements for the Year ended March 31, 2022**

**Note 1 : Significant Accounting Policies:**

**A 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. In current Financial year company has changed its name to "LIBAS CONSUMER PRODUCTS LIMITED" 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).

**B Basis of Accounting:**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements for all periods upto and including year ended 31 March 2019 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2020 are the first financial statements prepared by the Company in accordance with Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

**C Use of Estimates:**

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

**i) Estimates and assumptions**

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

**ii) Defined benefit plans**

The cost and present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to standalone financial statements for the Year ended March 31, 2022

#### **D Property, Plant and Equipment**

##### **i) Tangible Assets**

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its Property, Plant and Equipment and use that carrying value as the deemed cost except for certain class of assets which are measured at fair value as deemed cost on the date of transition i.e. 1 April 2018.

#### **E Depreciation and Amortisation:**

i) Depreciation on all fixed assets, except Leasehold Improvements and intangible assets, is provided on Written Down value method over the useful life of Asset and in the manner as prescribed by Schedule II of the Act.

#### **F Financial Instruments**

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

##### **i) Financial Assets**

##### **Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **Subsequent Measurement**

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

##### **Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.



## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to standalone financial statements for the Year ended March 31, 2022

#### Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its equity investments in subsidiaries, if any, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2018.

#### **G Impairment of Fixed Assets:**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

#### **H De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to standalone financial statements for the Year ended March 31, 2022

#### b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

### I Financial Liabilities

#### i) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

#### Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

#### iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### iv) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

### J Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

## **LIBAS CONSUMER PRODUCTS LIMITED**

### **Notes to standalone financial statements for the Year ended March 31, 2022**

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

#### **K Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

#### **L Trade payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

#### **M Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

#### **N Cash and Cash Equivalents**

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

#### **O Borrowing Costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

**LIBAS CONSUMER PRODUCTS LIMITED**  
**Notes to standalone financial statements for the Year ended March 31, 2022**

**P Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from sale of products is recognised, in accordance with the sales contract, on delivery of goods to the customer.

Business facility income is recognised on accrual basis as per the terms of contract.

Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.

**Q Foreign Currency Transactions:**

**a Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

**b Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**c Treatment of Exchange Difference**

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

**R Inventories**

- i) Finished Goods are valued at lower of cost or net realisable value.
- ii) Cost is arrived on First in First out basis.

**S Provisions and Contingent Liabilities:**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

**T Employee Benefits**

**i) Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

**ii) Defined Benefit Plan**

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to standalone financial statements for the Year ended March 31, 2022

#### iii) Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

#### U Accounting for Taxes of Income:-

##### i) Current Taxes

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### ii) Deferred Taxes

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### iii) Minimum Alternative Tax

Minimum Alternative Tax (MAT) credit is recognised as an assets in accordance with the recommendation contained in the Guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement . The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### V Leases

##### Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

##### Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**Note 2 : Property, Plant and Equipment**

Particulars	Office Premises	Furniture & Fixtures	Office Equipments	Computers	Plant & Machinery	Motor Vehicle	Total
<b>Gross Carrying Amount (at deemed cost)</b>							
<b>As at April 01, 2018</b>	<b>1,12,66,500</b>	<b>1,16,43,962</b>	<b>10,37,132</b>	<b>10,85,396</b>	<b>3,69,122</b>	<b>-</b>	<b>2,54,02,112</b>
Additions	-	58,90,816	1,71,044	1,38,129	1,83,800	-	63,83,789
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>1,12,66,500</b>	<b>1,75,34,778</b>	<b>12,08,176</b>	<b>12,23,525</b>	<b>5,52,922</b>	<b>-</b>	<b>3,17,85,901</b>
Additions	-	-	51,500	1,19,388	-	18,75,000	20,45,888
Disposals	-	4,50,000	-	-	-	-	4,50,000
<b>As at March 31, 2020</b>	<b>1,12,66,500</b>	<b>1,70,84,778</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>5,52,922</b>	<b>18,75,000</b>	<b>3,33,81,789</b>
Additions	24,07,000	-	-	-	-	-	24,07,000
Disposals	-	39,85,289	-	-	-	-	39,85,289
<b>As at March 31, 2021</b>	<b>1,36,73,500</b>	<b>1,30,99,489</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>5,52,922</b>	<b>18,75,000</b>	<b>3,18,03,500</b>
Additions	-	-	-	-	65,428	-	65,428
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,36,73,500</b>	<b>1,30,99,489</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>6,18,350</b>	<b>18,75,000</b>	<b>3,18,68,928</b>
<b>Accumulated Depreciation</b>							
<b>As at April 01, 2018</b>	<b>8,28,552</b>	<b>23,68,839</b>	<b>4,24,324</b>	<b>5,86,471</b>	<b>1,21,529</b>	<b>-</b>	<b>43,29,715</b>
Depreciation charge	9,91,605	36,34,112	3,12,419	3,76,450	54,476	-	53,69,061
Deletions / Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>18,20,157</b>	<b>60,02,951</b>	<b>7,36,743</b>	<b>9,62,921</b>	<b>1,76,005</b>	<b>-</b>	<b>96,98,776</b>
Depreciation for the year	8,97,403	28,81,499	2,23,066	1,90,018	68,222	4,22,373	46,82,581
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>27,17,560</b>	<b>88,84,450</b>	<b>9,59,809</b>	<b>11,52,939</b>	<b>2,44,227</b>	<b>4,22,373</b>	<b>1,43,81,357</b>
Depreciation for the year	9,29,370	18,41,894	1,11,939	1,14,704	55,874	4,53,656	35,07,437
Disposals	-	(28,66,402)	-	-	-	-	(28,66,402)
<b>As at March 31, 2021</b>	<b>36,46,930</b>	<b>78,59,942</b>	<b>10,71,748</b>	<b>12,67,643</b>	<b>3,00,101</b>	<b>8,76,029</b>	<b>1,50,22,392</b>
Depreciation for the year	8,41,080	13,65,027	78,542	42,257	54,748	5,85,563	29,67,216
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>44,88,010</b>	<b>92,24,970</b>	<b>11,50,289</b>	<b>13,09,900</b>	<b>3,54,849</b>	<b>14,61,592</b>	<b>1,79,89,609</b>
<b>Net carrying value</b>							
<b>Balance as at 01 April 2018</b>	<b>1,04,37,948</b>	<b>92,75,123</b>	<b>6,12,808</b>	<b>4,98,925</b>	<b>2,47,593</b>	<b>-</b>	<b>2,10,72,397</b>
<b>Balance as at 31 March 2019</b>	<b>94,46,343</b>	<b>1,15,31,827</b>	<b>4,71,433</b>	<b>2,60,604</b>	<b>3,76,917</b>	<b>-</b>	<b>2,20,87,124</b>
<b>Balance as at 31 March 2020</b>	<b>85,48,940</b>	<b>82,00,328</b>	<b>2,99,867</b>	<b>1,89,974</b>	<b>3,08,695</b>	<b>14,52,627</b>	<b>1,90,00,431</b>
<b>Balance as at 31 March 2021</b>	<b>1,00,26,570</b>	<b>52,39,547</b>	<b>1,87,928</b>	<b>75,270</b>	<b>2,52,821</b>	<b>9,98,971</b>	<b>1,67,81,108</b>
<b>Balance as at 31 March 2022</b>	<b>91,85,490</b>	<b>38,74,519</b>	<b>1,09,387</b>	<b>33,013</b>	<b>2,63,501</b>	<b>4,13,409</b>	<b>1,38,79,319</b>

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value of all its Property, Plant and Equipment and Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per Previous GAAP and use that as its deemed cost as at the date of transition (i.e. April 1, 2018).

Particulars	Gross Block (As Cost)	Accumulated Depreciation
<b>As at 01-04-2018</b>		
Office Premises	1,12,66,500	8,28,552
Furniture & Fixtures	1,16,43,962	23,68,839
Office Equipments	10,37,132	4,24,324
Computers	10,85,396	5,86,471
Plant & Machinery	3,69,122	1,21,529
<b>TOTAL</b>	<b>2,54,02,112</b>	<b>43,29,715</b>

**Note 3 : Right-of-use assets**

Particulars	Amount (in Rs.)
<b>Gross carrying value</b>	
<b>Balance as at 01 April 2018</b>	<b>3,54,58,048</b>
Additions	2,42,31,325
Disposals / Adjustments	-
<b>Balance as at 31 March 2019</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	-
<b>Balance as at 31 March 2020</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	(2,09,15,515)
<b>Balance as at 31 March 2022</b>	<b>3,87,73,858</b>
<b>Accumulated Amortization</b>	
<b>Balance as at 01 April 2018</b>	<b>95,96,907</b>
Amortisation charge for the year	1,28,57,870
Deletions / Adjustments	-
<b>Balance as at 31 March 2019</b>	<b>2,24,54,777</b>
Amortisation charge for the year	1,26,98,370
Deletions / Adjustments	-
<b>Balance as at 31 March 2020</b>	<b>3,51,53,147</b>
Amortisation charge for the year	66,51,199
Deletions / Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>4,18,04,346</b>
Amortisation charge for the year	57,74,207
Deletions / Adjustments	(97,90,734)
<b>Balance as at 31 March 2022</b>	<b>3,77,87,819</b>
<b>Net carrying value</b>	
<b>Balance as at 01 April 2018</b>	<b>2,58,61,141</b>
<b>Balance as at 31 March 2019</b>	<b>3,72,34,596</b>
<b>Balance as at 31 March 2020</b>	<b>2,45,36,226</b>
<b>Balance as at 31 March 2021</b>	<b>1,78,85,027</b>
<b>Balance as at 31 March 2022</b>	<b>9,86,040</b>

## LIBAS CONSUMER PRODUCTS LIMITED

## Notes to standalone financial statements for the Year ended March 31, 2022

(Amount in Rs.)

## Note 4 : Investments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Equity Instruments</b>		
Trade, Unquoted (At FVTPL, unless stated otherwise)		
Others		
Shares in Shamrao Bank	1,00,000	1,00,000
Union Capital Protection Fund	-	-
<b>Investment in Subsidiary</b>		
Trade, Unquoted		
LIBAS DESIGNS FZE LLC	18,88,900	18,88,900
100 Equity share of AED. 1,000 each fully paid up		
Loans & Advances to Subsidiary	41,85,216	41,85,216
	<b>61,74,116</b>	<b>61,74,116</b>

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Aggregate of non-current investments:</b>		
Book value of investments	61,74,116	61,74,116
Investments carried at deemed cost	18,88,900	18,88,900
Investments carried at fair value through profit and loss	1,00,000	1,00,000

## Note 5 : Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	50,70,219	62,83,540
	<b>50,70,219</b>	<b>62,83,540</b>

## Note 6 : Other non - current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to creditors	13,89,600	1,29,69,600
Other Advances	7,18,85,033	5,94,11,618
Other Non-Current Assets (Deferred Assets)	42,234	76,109
	<b>7,33,16,867</b>	<b>7,24,57,327</b>

## Note 7 : Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	11,63,11,460	8,39,98,621
Finished Goods	17,44,67,189	12,59,97,931
	<b>29,07,78,649</b>	<b>20,99,96,552</b>

## Note 8 : Trade receivables

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables		
(Unsecured and considered good, unless otherwise stated)		
Outstanding for more than six months	2,81,51,846	15,22,714
Other trade receivables	14,52,46,857	19,76,75,621
Less : Provision for Expected Credit Loss	(28,15,945)	(15,49,810)
<b>Total Receivables</b>	<b>17,05,82,757</b>	<b>19,76,48,524</b>
Current Portion	17,05,82,757	19,76,48,524
Non - Current Portion	-	-



<b>Trade Receivables ageing schedule as at 31st March 2022</b>						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>1. Undisputed Trade receivables</b>						
-Considered Good	145,246,857	5,200,241	6,601,838	8,973,856	7,375,910	173,398,703
-Considered Doubtful	-	-	-	-	-	-
<b>2. Disputed Trade receivables</b>						
-Considered Good	-	-	-	-	-	-
-Considered Doubtful	-	-	-	-	-	-
<b>Trade Receivables ageing schedule as at 31st March 2021</b>						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>1. Undisputed Trade receivables</b>						
-Considered Good	163,194,508	10,912,984	16,560,699	7,922,608	607,536	199,198,335
-Considered Doubtful	-	-	-	-	-	-
<b>2. Disputed Trade receivables</b>						
-Considered Good	-	-	-	-	-	-
-Considered Doubtful	-	-	-	-	-	-

**Note 9 : Cash and cash equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks		
- Current Accounts	4,53,734	1,74,174
Cash on Hand	67,60,646	5,49,42,787
	<b>72,14,380</b>	<b>5,51,16,961</b>

**Note 10 : Other current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	1,24,75,734	-
	<b>1,24,75,734</b>	<b>-</b>

**Note 11 : Equity Share Capital**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
2,80,00,000 (March 2021: 1,50,00,000) equity shares of Rs. 10 each	15,00,00,000	15,00,00,000
<b>Total</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>Issued, Subscribed and Fully Paid Up</b>		
1,76,40,000 ( (March 2021: 1,22,50,000) Equity shares of Rs. 10 each fully paid-up	17,64,00,000	12,25,00,000
<b>Total</b>	<b>17,64,00,000</b>	<b>12,25,00,000</b>

**a) Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution

**b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :**

Particulars	Equity Shares			
	As at March 31, 2022		As at March 31, 2021	
	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000
Shares Issued during the year	53,90,000	5,39,00,000		
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,76,40,000</b>	<b>17,64,00,000</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>

## c) Details of Shareholders holding more than 5% shares in the company:

Name of the Shareholder	Equity Shares			
	As at March 31, 2022		As at March 31, 2021	
Nishant Mahimtura	0	0.00%	3078000	25.13%
Riyaz Ganji	2719459	15.42%	1888494	15.42%
Reshma Ganji	2667817	15.12%	1852651	15.12%

During the year ended March 31, 2022, the Board of Directors have issued and allotted a total 53,90,000 fully paid up bonus equity Shares of Rs.

10/- each out of which 24,50,000 bonus shares were issued on 09th April, 2021 & 29,40,000 bonus shares were issued on 24th September, 2021

after seeking approval of Shareholders on 25th March, 2021 & 14th September, 2021 respectively.

Name of the Promoter	Equity Shares		
	As at March 31, 2022		
	No. of Shares held	% of Holding	% Change in Holding
RIYAZ GANJI	2719459	15.42%	0.00%
RESHMA GANJI	2667817	15.12%	0.00%

Name of the Promoter	Equity Shares		
	As at March 31, 2021		
	No. of Shares held	% of Holding	% Change in Holding
NISHANT MAHIMTURA	3078000	25.13%	0.00%
RIYAZ GANJI	1888494	15.42%	0.00%
RESHMA GANJI	1852651	15.12%	0.00%

## Note 12 : Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total equity attributable to equity holders
	Securities premium	Retained earnings	Re-measurement gains / (losses) on defined	
As at 01 April 2018	11,33,40,671	3,84,24,168	-	15,17,64,839
Total comprehensive income for the year	-	3,38,28,789	93,586	3,39,22,375
Bonus Issue	-	(3,75,00,000)	-	(3,75,00,000)
As at 31 March 2019	11,33,40,671	3,47,52,957	93,586	14,81,87,214
Addition during the year	4,40,00,000	-	-	4,40,00,000
Total comprehensive income for the year	-	34,27,443	2,12,192	36,39,635
As at 31 March 2020	15,73,40,671	3,81,80,400	3,05,777	19,58,26,849
Addition during the year	-	-	-	-
Total comprehensive income for the year	-	(1,62,80,632)	-	(1,62,80,632)
Adjustment of Ind AS	-	(5,12,161)	-	(5,12,161)
As at 31 March 2021	15,73,40,671	2,18,99,768	3,05,777	17,90,34,055
Addition during the year	-	2,55,73,829	-	2,55,73,829
Bonus Issue	-	(5,39,00,000)	-	(5,39,00,000)
Total comprehensive income for the year	-	-	-	-
Adjustment of Ind AS	-	-	-	-
As at 31 March 2022	15,73,40,671	(64,26,403)	3,05,777	15,07,07,885

## Nature and Purpose of Reserves :

## Securities Premium Reserve

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

## Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders

## Note 13 : Long term Borrowing

## (Non Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loans	-	2,27,23,479
	-	2,27,23,479

**Note 14 : Other financial liabilities  
(Non Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Loan	1,33,83,822	1,18,63,345
Lease Liability	-	97,36,641
	<b>1,33,83,822</b>	<b>2,15,99,986</b>

**Note 15 : Provisions  
(Long term Provisions)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax (net of Advance tax & TDS)	62,81,837	-
Provision for Gratuity	25,18,173	18,03,393
	<b>88,00,010</b>	<b>18,03,393</b>

**Note 16 : Deferred Tax Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	18,16,771	6,91,816
	<b>18,16,771</b>	<b>6,91,816</b>

**Note 17 : Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Working Capital Loan from Union Bank of India</b>		
Cash Credit Hypothecation Accounts *	9,68,28,404	15,63,60,789
	<b>9,68,28,404</b>	<b>15,63,60,789</b>

\*(a) Working Capital Loan from Union Bank of India are secured against hypothecation of stock & book debts and co-teral security by way of Hypothecation 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 & Chairman 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.

**Note 18 : Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small & Medium enterprises (refer note below)*	-	-
Others	12,60,99,251	5,95,63,834
	<b>12,60,99,251</b>	<b>5,95,63,834</b>

Ageing of Trade Payables as on 31.03.2022					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	114,945,763	4,175,840	3,854,882	3,122,765	126,099,251
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Ageing of Trade Payables as on 31.03.2021					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	45,963,940	7,396,626	3,125,541	3,077,727	59,563,834
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

\*Note : Details of Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 ("MSMED Act").

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year; * *	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-

\* The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.

**Note 19 : Other financial liabilities  
(Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Branch Division	-	2,45,793
Statutory Dues Payable	63,97,648	23,11,190
Lease Liability	7,34,577	75,57,463
	<b>71,32,224</b>	<b>1,01,14,446</b>

**Note 20 : Provisions  
(Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	66,307	66,307
Other Provisions	7,13,408	78,85,051
	<b>7,79,715</b>	<b>79,51,358</b>

**LIBAS CONSUMER PRODUCTS LIMITED**
**Notes to standalone financial statements for the Year ended March 31, 2022**
**Note 21 : Revenue From Operations**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of products	46,32,43,791	34,99,71,717
	<b>46,32,43,791</b>	<b>34,99,71,717</b>

**Note 22 : Other Income**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Discount Received	1,48,563	71,350
Interest Income	32,08,099	52,27,318
Reversal of Lease liability	5,75,611	-
Interest Income on unwinding of deposits	32,678	1,06,825
	<b>39,64,951</b>	<b>54,05,492</b>

**Note 23 : Cost of Material Consumed**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Raw material consumed:</b>		
Opening Stock - Raw Material	8,39,98,621	9,36,90,137
Add : Purchases	45,69,95,751	27,63,65,050
Add : Direct Exps	23,28,759	1,82,23,990
	54,33,23,131	38,82,79,177
Less: Decrease in the value of Stock	-	(4,20,55,650)
Less : Closing Stock - Raw Material	(11,63,11,460)	(8,39,98,621)
	<b>42,70,11,671</b>	<b>26,22,24,907</b>

**Note 24 : Changes in inventories of finished goods, WIP and Stock-in-trade**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Opening stock</b>		
Finished goods	12,59,97,931	14,05,35,206
<b>Total (A)</b>	<b>12,59,97,931</b>	<b>14,05,35,206</b>
<b>Closing stock</b>		
Finished goods	17,44,67,189	12,59,97,931
<b>Total (B)</b>	<b>17,44,67,189</b>	<b>12,59,97,931</b>
<b>Changes in inventories (A-B)</b>	<b>(4,84,69,258)</b>	<b>1,45,37,275</b>

**Note 25 : Employee benefits expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, Wages and Bonus	30,74,232	33,02,512
Director Remuneration	24,55,000	30,25,000
Welfare and other benefits	12,600	97,539
	<b>55,41,832</b>	<b>64,25,051</b>

**Note 26 : Finance costs**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on Term, Working Capital Loans	1,69,95,277	2,07,97,146
Processing fees	5,72,003	9,06,517
Bank Charges	2,24,776	3,21,562
Interest Expenses on Lease Liability	7,68,715	15,33,382
	<b>1,85,60,770</b>	<b>2,35,58,607</b>

**LIBAS CONSUMER PRODUCTS LIMITED**
**Notes to standalone financial statements for the Year ended March 31, 2022**
**Note 27 : Depreciation and amortisation expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on Property, Plant and Equipment	29,67,216	35,07,437
Amortisation on Right of Use assets	58,08,082	1,03,97,839
	<b>87,75,298</b>	<b>1,39,05,276</b>

**Note 28 : Other expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Sales &amp; Distribution expenses</b>		
Sales Promotion	1,48,63,423	10,58,054
Freight	28,748	40,355
Commission & Discount	14,25,601	16,35,267
Courier charges & Postage	-	47,266
(A)	<b>1,63,17,772</b>	<b>27,80,942</b>
<b>Administration &amp; Other Expenses</b>		
Insurance Expense	-	2,38,443
Sundry Expenses	14,48,384	1,17,067
Audit Fees	6,21,350	6,00,000
Books & Magazines	-	5,880
Provision for Expected Credit Loss	12,66,135	-
Conveyance charges	6,69,179	18,033
Donation	-	27,000
Dividend Paid	-	24,50,317
Electricity charges	6,76,602	10,12,978
Hire charges paid	1,00,000	4,03,000
Penalty on GST	-	12,000
Legal Exps	-	3,14,125
Maintenance charges	-	80,941
Written Off	-	(5,38,571)
ROC & Listing fee	-	5,25,200
Office Exps	-	8,21,881
Petrol & Diesel Exps	-	5,42,000
Printing & Stationery Exps	-	44,391
Profession Fees	18,75,830	7,05,883
Rent Expenses	(30,67,800)	(27,12,600)
Repair & Maintenance	1,72,222	3,95,572
Professional Tax	17,500	-
Software Exps	-	11,200
Telephone & Internet Charges Paid	12,023	49,412
Tours & Travel	-	1,31,416
(B)	<b>37,91,425</b>	<b>52,55,568</b>
<b>Total (A+B)</b>	<b>2,01,09,197</b>	<b>80,36,510</b>

In case of Rent Expenses, figures has been turns out to be negative, as during the year company has ceased to make payment of Delhi Shop Rent and same is under dispute with shop owner, however effect of Ind AS 116 is continue to be given in the financial statement. As per Ind AS 116, rent expenses as per the agreement needs to be reverse and expenses is to be accounted in the form of Amortisation of Right to Use Assets (ROU Assets), and in the books company has not accounted whole actual rent as per the agreement since dispute with owner.

**Details of Payment to Auditors**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
For Audit Fees	6,21,350	6,00,000
	<b>6,21,350</b>	<b>6,00,000</b>

**Notes to standalone financial statements for the Year ended March 31, 2022**

**Note 29 : Tax expense:**

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Current tax expense (A)</b>		
Current tax	89,80,468	-
	<b>89,80,468</b>	<b>-</b>
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	11,24,955	(2,22,955)
	<b>11,24,955</b>	<b>(2,22,955)</b>
<b>Tax expense recognised in the income statement (A+B)</b>	<b>1,01,05,422</b>	<b>(2,22,955)</b>

**Note 30 : Earnings per equity share:**

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Weighted average number of shares outstanding during the period	1,76,40,000	1,22,50,000
Weighted average number of Potential Equity shares outstanding during the year	1,76,40,000	1,22,50,000
Total number of Potential Equity Share for calculating Diluted Earning Per share	1,76,40,000	1,22,50,000
<b>Net Profit \ (Loss) after tax available for equity shareholders</b>	<b>2,55,73,829</b>	<b>(1,62,80,632)</b>
<b>Basic Earning per share (in Rs.)</b>	<b>1.45</b>	<b>(1.33)</b>
<b>Diluted Earning per share (in Rs.)</b>	<b>1.45</b>	<b>(1.33)</b>

**LIBAS CONSUMER PRODUCTS LIMITED**

Notes to standalone financial statements for the Year ended March 31, 2022

(Amount in Rs.)

**Note 31: Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:**

**i) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)**

**a) Subsidiary Company**

Libas Design LLC (Ajman, U.A.E)

**b) Directors, Key Management Personnel & Relatives of KMP**

Name	Relationship
Nishant Mitrasen Mahimtura	Founder & CEO
Riyaz Eqbal Ganji	Whole Time Director
Reshma Riyaz Ganji	Managing Director
Basant Agarwal	CFO
Nita Prabhat Kumar Mishra	Company Secretary

**c) Enterprises owned or significantly influenced by Key Managerial Personnel and or their relatives**

Smriti Industries (Proprietary Concern of Director -Nishant Mahimtura)

Suchitra Mahimtura (Admin Head - Spouse of Nishant Mahimtura)

Pawan Mahimtura (Hire Charges - Son of Nishant Mahimtura)

Golden Bricks Infrastructure Private Limited (Director Interested)

Reserve Wines Private Limited (Director Interested)

See My Brand Private Limited.

**ii) Transactions with Related Parties during the year**

Name of Party	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Riyaz Eqbal Ganji	Remuneration Paid	12,00,000	12,00,000
Reshma Riyaz Ganji	Remuneration Paid	12,00,000	12,00,000
Nita Prabhat Kumar Mishra (CS)	Remuneration Paid	2,48,200	1,75,000
Suchitra Mahimtura	Salary Paid	50,000	6,00,000
Smriti Industries	Commision Expense	13,80,000	13,80,000
Pawan Mahimtura	Hire Charges	1,00,000	4,03,000
See My Brand Private Limited	Purchase	-	1,24,67,250
See My Brand Private Limited	Loan Taken	5,26,35,000	-
See My Brand Private Limited	Loan Repaid	5,00,00,000	-
Golden Bricks Infrastructure Private Limited	Purchase	-	61,19,822
Golden Bricks Infrastructure Private Limited	Sales	1,95,45,690	-
Riyaz Gangji	Advance for Expenses	2,91,655	-
Riyaz Gangji	Loan Repaid	25,80,000	14,94,754
Reshma Gangji	Loan Given	-	28,840

**iii) Balance Outstanding of Related Parties :**

Name of Party	Receivable / (Payable)	As At March 31, 2022	As At March 31, 2021
RIYAZ EQBAL GANJI	Receivable	25,106	23,13,450
RESHMA RIYAZ GANJI	Receivable	37,86,487	50,64,737
Golden Bricks Infrastructure Pvt. Ltd.	Receivable	31,78,864	-
Smriti Industries	Payable	9,05,922	1,25,078
LIBAS DESIGN LLC (Ajman, U.A.E)	Receivable	6,00,000	6,00,000
See My Brand Private Limited.	Payable	26,35,000	1,64,01,265

Note : Related Parties as disclosed by Management and relied upon by auditors.

**Notes to standalone financial statements for the Year ended March 31, 2022****(Amount in Rs.)****Note 32 : Segment Reporting**

The Company's operating segments are established on the basis of those components that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

**a) Primary (Business) Segment:**

The Company is primarily engaged in the manufacturing and dealing in textiles As such, the Company operates in a single segment and there are no separate reportable segments as defined in Ind AS 108 - "Operating Segments". The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

**b)Geographical Information:**

The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical areas. The following is the distribution of the Company's Revenues by geographical markets :

<b>Revenues</b>	<b>Year Ended March 31,2022</b>	<b>Year Ended March 31,2021</b>
India	46,32,43,791	34,99,71,717
Export	-	-

The following is the carrying amount of segment assets by geographical area in which the assets are located

<b>Non-Current Assets (other than financial instruments and deferred tax assets)</b>	<b>Year Ended March 31,2022</b>	<b>Year Ended March 31,2021</b>
India	8,71,96,186	8,92,38,434
Outside India	-	-

**Note 33 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions,Contingent Liabilities and Contingent Assets" are given below:**

**The Company has following ongoing litigation as at 31.03.2022**

**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 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 against the Company**

-Details of outstanding demand in respect of TDS: Amounting to Rs. 12,43,871/- since 2007 to March 2018.

**4. The Company has filed Revision Appeal U/s 34 before Bombay Highcourt against the Arbitration order. The arbitration order dated 09/08/2021 received by the Company. The arbitrator has given order to pay INR 1,48,48,593/- to respondent. The company has not recorded the said liability in the books of account, the Revision Appeal is pending for hearing.**



**Note 33 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'****A Defined benefit obligations - Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>a) Changes in defined benefit obligations</b>		
<b>Present value of obligation as at the beginning of the year</b>		
Defined Benefit Obligation ("PBO") at the beginning of the year	18,69,700	18,69,700
Service cost / INDAS (Refer Note Below)	7,14,780	
Interest cost		
Actuarial loss / (gain)		
Benefits paid		
<b>Present value of obligation as at the end of the year</b>	<b>25,84,480</b>	<b>18,69,700</b>
<b>b) Changes in Plan Assets</b>		
<b>Opening value of plan assets</b>		-
<b>Closing value of plan assets</b>		-
<b>c) The amounts recognised in the Balance Sheet are as follows:</b>		
Present value of obligation as at the end of the year	25,84,480	18,69,700
Fair Value of plan assets as at the end of the year		
<b>Net (assets) / liability recognised in balance sheet</b>	<b>25,84,480</b>	<b>18,69,700</b>
<b>d) Expenses recognised in the Statement of Profit and Loss</b>		
Service cost		-
Net Interest Cost		-
<b>Total</b>		-
<b>e) Remeasurement (gains)/ losses recognised in OCI</b>		
Actuarial changes arising from changes in financial assumptions		-
Actuarial changes arising from changes in demographic assumptions		-
Due to experience adjustments		-
<b>Total</b>		-

Particulars	31st March 2022	31st March 2021
<b>f) Actuarial assumptions</b>		
Discount rate		7.69% p.a
Normal retirement age (in years)		60 Years
Salary escalation rate (% p.a.) *		10.00% p.a
Attrition rate		13.00%
Mortality rate		100% of IALM 2006-08

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Note:-** The Company has not taken Actuarial valuation during the year and has not provided for the Gratuity Liability in its books of accounts for the year, as required under Ind AS-19.

**Notes to standalone financial statements for the Year ended March 31, 2022****Note 34 : Capital Management**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	9,68,28,404	17,90,84,268
Cash and cash equivalents	-72,14,380	-5,51,16,961
<b>Net Debt</b>	<b>8,96,14,024</b>	<b>12,39,67,308</b>
Equity	32,56,37,885	30,15,34,055
<b>Total Capital</b>	<b>32,56,37,885</b>	<b>30,15,34,055</b>
Capital and Net Debt	41,52,51,909	42,55,01,363
Gearing ratio (Net Debt/Capital and Net Debt)	22%	29%

**Note 35 : Summary of Significant Ratios**

Sr.No.	Particulars	As on 31/03/2022	As on 31/03/2021
1	Current Ratio	2.08	1.98
2	Debt Equity Ratio	0.30	0.59
3	Debt Service Coverage Ratio	3.27	0.67
4	Return on Equity Ratio	0.11	0.09
5	Inventory Turnover Ratio	1.51	1.25
6	Trade Receivables Turnover Ratio	2.52	2.17
7	Trade Payables Turnover Ratio	4.92	5.77
8	Net Capital Turnover Ratio	1.85	1.53
9	Net Profit Ratio	5.52%	-4.65%
10	Return on Capital employed	0.13	0.10

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

In terms of our report of even date  
**For Jain Jagawat Kamdar & Co**  
Chartered Accountants  
FRN No. 122530W

**CA Chandra Shekhar Jagawat**  
Partner  
Mem.No. 116078

Date : 30th May, 2022  
Place: Mumbai

For and on behalf of the Board of Directors  
**LIBAS CONSUMER PRODUCTS LIMITED**

**Reshma Ganji**  
Managing Director  
DIN 07576582

**Nita Mishra**  
Company Secretary  
Mem.No.A39489

Date : 30th May, 2022  
Place: Mumbai

**Riyaz Ganji**  
Whole Time Director  
DIN 02236203

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

## INDEPENDENT AUDITOR'S REPORT

To the members of  
**LIBAS CONSUMER PRODUCTS LIMITED**

### Report on the Audit of the Consolidated Financial Statement

#### Opinion

We have audited the accompanying consolidated financial statement of **LIBAS CONSUMER PRODUCTS LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information. The Consolidated Financials statement includes financial statements of Libas Consumer Products Limited and its subsidiary Libas Consumer Products Limited FZE LLC. The financials statement of subsidiary were audited by another auditor of **M/s Husain AI Hashmi**. We have relied on the audit conducted by the auditor of subsidiary company in accordance with Standard on Auditing 600- Using the work of another auditor.

In our opinion and to the best of our information and according to the explanations given to us, **except for the matters stated or mentioned in the "Basis for Qualified Opinion"**, the aforesaid consolidated financial statement give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its *profit*, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

- *The company has not provided Employee Benefits (Defined Benefits) in accordance of Ind AS- 19 during the financial year.*
- *The company has not made provision for undisputed income tax liability of Rs.2.91 Lakhs for the FY 2017-18 and of Rs 59.26 Lakhs for FY 2018-19 therefore the liability for the F.Y.2017-18 and F.Y.2018-19 is understated by Rs.62.17 lakhs and the reserves are overstated by Rs.62.17 Lakhs.*
- *The company has not obtained ODI permission from RBI for investment in foreign subsidiary.*
- *The company has not complied with the Section 138 of Companies Act 2013 for the appointment of Internal Auditor.*
- *The company has not disclosed the aging of Trade Receivable & Trade Payable in the consolidated financial statements as per applicable financial reporting framework i.e. Schedule III of Companies Act, 2013 (Division II).*

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the Consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

### Emphasis of Matter

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 Consolidated 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 on the other information obtained prior to the date of this auditor's report, 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.

### 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	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 consolidated financial statements.	<p>Our audit procedures include the following substantive procedures:</p> <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 - 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</li> </ul>

		assumptions and grounds of appeal in estimating the tax provisions; and <ul style="list-style-type: none"> <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>
	<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>

#### **Information Other than the Consolidated financial statement and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statement 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 statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement or our knowledge obtained during the course of our 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.

#### **Responsibilities of Management and Those Charged with Governance 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other

irregularities; selection and application of appropriate 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 is responsible for overseeing the Company's financial reporting process.

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

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.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Consolidated 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.

#### **Other Matters:**

We did not audit the financial statements of subsidiary included in the consolidated Financial Results, whose financial statements reflect total Assets of Rs.1441.26 Lakhs as at March 31, 2022 and total Revenues of Rs.718.48 Lakhs and Profit of Rs.42.60 Lakhs for the year ended March 31, 2022 respectively. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, of these subsidiaries, one subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversions adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:



- a) We /the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid consolidated financial statement comply with the Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has the pending litigations which would impact its financial position and same has been disclosed in the Note No. 33 of the consolidated financial statement;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- 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 management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on

behalf of the Ultimate Beneficiaries; and

- Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- *We have not received relevant documents of subsidiary which we have asked during the course of audit, therefore we do not express our opinion of the financials of Subsidiary.*

v. Dividend declared and paid during the financial year is in compliance with section 123 of the Companies Act, 2013.

h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the company has paid managerial remuneration within the limit prescribed by section 197 for maximum permissible managerial remuneration provided to the directors of the company.

**For Jain Jagawat Kamdar & Co**  
**Chartered Accountants**  
**Firm's Registration No: 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**Membership No: 116078**  
**UDIN: 22116078AJXUPR8319**

**Place: Mumbai**  
**Date: May 30, 2022**

**"Annexure A" to the Independent Auditors' Report on the Consolidated financial statements of Libas Consumer Products Limited**

**Report on the internal financial controls with reference to the aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to Consolidated Financial Statements of **Libas Consumer Products Limited** ("the Company") as of **31 March 2022** in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls were operating effectively as at **31 March 2022**, based on the internal financial controls with reference to Consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated financial statements criteria established by the Company considering the essential

components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of such internal financial controls, 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 Consolidated financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to Consolidated financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

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

- *We have not received relevant documents of subsidiary which we have asked during the course of audit, therefore we do not express our opinion of the financials of Subsidiary.*

**For Jain Jagawat Kamdar & Co**  
**Chartered Accountants**  
**Firm's Registration No: 122530W**

**CA Chandra Shekhar Jagawat**  
**Partner**  
**Membership No: 116078**  
**UDIN: 22116078AJXUPR8319**

**Place: Mumbai**  
**Date: May 30, 2022**

## LIBAS CONSUMER PRODUCTS LIMITED

CIN:L18101MH2004PLC149489

Consolidated Balance Sheet as at March 31, 2022

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b><u>A) Non-current assets</u></b>			
Property, Plant and Equipment	2	1,38,79,319	1,67,81,108
Right-of-use assets	3	9,86,040	1,78,85,028
Financial Assets			
Investments	4	34,52,602	34,52,602
Other Financial Assets	5	50,70,219	62,83,540
Other non - current assets	6	7,33,16,867	7,24,57,327
<b>Total Non Current assets</b>		<b>9,67,05,047</b>	<b>11,68,59,604</b>
<b><u>B) Current assets</u></b>			
Inventories	7	31,24,07,283	22,60,67,328
Financial Assets			
Trade receivables	8	23,45,38,682	23,72,90,377
Cash and cash equivalents	9	3,24,21,980	6,30,74,757
Other Financial Assets	10	3,33,33,483	1,23,96,393
Other Current Assets	11	1,24,75,734	-
<b>Total Current assets</b>		<b>62,51,77,162</b>	<b>53,88,28,855</b>
<b>Total Assets</b>		<b>72,18,82,210</b>	<b>65,56,88,460</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	11	17,64,00,000	12,25,00,000
Other Equity	12	28,76,41,877	25,15,96,814
<b>Total Equity</b>		<b>46,40,41,877</b>	<b>37,40,96,814</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Long term Borrowing	13	-	2,27,23,479
Other financial liabilities	14	1,33,83,822	2,15,99,986
Provisions	15	88,00,010	18,03,393
Deferred Tax Liabilities	16	18,16,771	6,91,816
<b>Total Non-current liabilities</b>		<b>2,40,00,603</b>	<b>4,68,18,674</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	17	9,68,28,404	15,63,60,789
Trade payables	18	12,90,50,594	6,02,97,170
Other financial liabilities	19	71,81,017	1,01,63,654
Provisions	20	7,79,715	79,51,358
<b>Total Current liabilities</b>		<b>23,38,39,729</b>	<b>23,47,72,971</b>
<b>Total Equity and Liabilities</b>		<b>72,18,82,210</b>	<b>65,56,88,460</b>
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements.	2-36		
In terms of our report of even date			
<b>For JAIN JAGAWAT KAMDAR &amp; CO</b>		<b>For and on behalf of the Board of Directors</b>	
<b>Chartered Accountants</b>		<b>LIBAS CONSUMER PRODUCTS LIMITED</b>	
<b>Firm Regn No. 122530W</b>			
<b>CA Chandra Shekhar Jagawat</b>	<b>Reshma Ganji</b>	<b>Riyaz Ganji</b>	
<b>Partner</b>	<b>Managing Director</b>	<b>Whole Time Director</b>	
<b>Mem No:116078</b>	<b>DIN:07576582</b>	<b>DIN 02236203</b>	
	<b>Nita Mishra</b>	<b>Nishant Mahimtura</b>	
	<b>Company Secretary</b>	<b>Director &amp; CFO</b>	
	<b>Mem No: A39489</b>	<b>DIN: 02000572</b>	
<b>Date : 30th May, 2022</b>	<b>Date : 30th May, 2022</b>		
<b>Place: Mumbai</b>	<b>Place: Mumbai</b>		

## LIBAS CONSUMER PRODUCTS LIMITED

CIN:L18101MH2004PLC149489

Consolidated Profit &amp; Loss For the Year Ended March 31, 2022

(Amount in Rs.)

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>INCOME</b>			
Revenue From Operations	21	85,18,96,200	54,08,07,636
Other Income	22	39,64,951	54,05,492
<b>Total Income</b>		<b>85,58,61,151</b>	<b>54,62,13,129</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	23	72,40,51,010	42,16,43,423
Changes in inventories of finished goods, WIP and Stock-in-trade	24	(4,84,69,258)	1,45,37,275
Employee benefits expenses	25	1,75,52,292	1,21,99,866
Finance costs	26	2,47,23,509	2,37,65,265
Depreciation and amortisation expenses	27	87,75,298	1,39,05,276
Other expenses	28	3,16,90,914	2,88,56,723
<b>Total expenses</b>		<b>75,83,23,765</b>	<b>51,49,07,827</b>
<b>Profit before Tax and Exceptional and Extra Ordinary Items</b>		<b>9,75,37,386</b>	<b>3,13,05,301</b>
<b>Exceptional and Extra Ordinary Items</b>		<b>-</b>	<b>(4,31,93,172)</b>
<b>Profit Before Tax</b>		<b>9,75,37,386</b>	<b>(1,18,87,871)</b>
Tax expense:	29		
(1) Current tax		89,80,468	-
(2) Deferred tax		11,24,955	(2,22,955)
<b>Total tax expenses</b>		<b>1,01,05,422</b>	<b>(2,22,955)</b>
<b>Profit/ (loss) for the year (A)</b>		<b>8,74,31,964</b>	<b>(1,16,64,916)</b>
<b>Other Comprehensive Income</b>			
<b>Items to be reclassified subsequently to profit or loss</b>			
- Re-measurement gains / (Loss) on defined benefits plans		-	-
- income Tax effect on above		-	-
- Foreign Currency exchange translation reserve		39,83,099	-
<b>Other Comprehensive Income for the Year (B)</b>		<b>39,83,099</b>	<b>-</b>
<b>Total Comprehensive Income for the year (A+B)</b>		<b>9,14,15,063</b>	<b>(1,16,64,916)</b>
<b>Earnings per equity share:</b>	30		
<b>Equity shares of Par value of Rs. 10 /-each</b>			
Basic		5.18	(0.95)
Diluted		5.18	(0.95)

Significant Accounting Policies

1

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

2-36

In terms of our report of even date

For JAIN JAGAWAT KAMDAR &amp; CO

Chartered Accountants

Firm Regn No. 122530W

For and on behalf of the Board of Directors

LIBAS CONSUMER PRODUCTS LIMITED

CA Chandra Shekhar Jagawat

Partner

Mem No:116078

Reshma Ganji

Managing Director

DIN:07576582

Riyaz Ganji

Whole Time Director

DIN: 02236203

Nita Mishra

Company Secretary

Mem No: A39489

Nishant Mahimtura

Director &amp; CFO

DIN: 02000572

Date : 30th May, 2022

Place: Mumbai

Date : 30th May, 2022

Place: Mumbai

LIBAS CONSUMER PRODUCTS LIMITED CIN:L18101MH2004PLC149489 Consolidated Cash Flow Statement for the Year Ended 31st March, 2022 (Amount in Rs.)		
Particulars	Year Ended 31-Mar-22	Year Ended 31-Mar-21
<b>Operating activities</b>		
Profit Before Tax	9,75,37,386	(1,18,87,871)
<b>Adjustments to reconcile profit before tax to net cash inflow</b>		
Depreciation and amortisation expenses	87,41,423	1,39,05,276
Exchange Difference in translating the financial statement of foreign operations	39,83,099	-
Interest Income	(32,08,099)	(54,05,493)
Interest Paid	2,47,23,509	2,35,58,607
	<b>13,17,77,319</b>	<b>2,01,70,519</b>
<b>Working capital adjustments :-</b>		
(Increase) / Decrease in Trade and Other Receivables	27,51,695	(7,25,53,002)
(Increase) / Decrease in Inventories	(8,63,39,955)	2,71,27,596
(Increase) / Decrease in Other Non-Current Assets	(8,59,540)	5,61,06,501
(Increase) / Decrease in Other Non-Current Financial Assets	12,13,322	3,924
(Increase) / Decrease in Other Current Financial Assets	(2,09,37,090)	(42,50,747)
(Increase) / Decrease in Other Current Assets	(1,24,75,734)	-
Increase / (Decrease) in Trade and Other Payables	6,87,53,423	2,22,02,467
Increase / (Decrease) in Provision	(91,55,494)	-
Increase / (Decrease) in Non-current Financial Liabilities	(82,16,164)	-
Increase / (Decrease) in Other Financial Liabilities	(29,82,638)	(1,14,17,118)
	<b>6,35,29,145</b>	<b>3,73,90,140</b>
Direct taxes paid (Net of Refunds)	-	(1,00,00,000)
<b>Net cash flow from operating activities</b>	<b>6,35,29,145</b>	<b>2,73,90,140</b>
<b>Investing activities</b>		
Proceeds / (Purchase) of Investments	-	(18,52,602)
Sale/(Purchase) of Right of use Asset	1,11,24,781	30,00,411
Purchase of fixed assets	(65,428)	(12,88,114)
Interest received	32,08,099	54,05,493
<b>Net cash flow used in investing activities</b>	<b>1,42,67,452</b>	<b>52,65,188</b>
<b>Financing activities</b>		
Proceeds form issues of Borrowings (Net)	(8,22,55,864)	1,79,42,141
Proceeds / Payment of Lease Liability	-	(69,65,693)
Dividend paid	(14,70,000)	-
Interest paid	(2,47,23,509)	(2,35,58,607)
<b>Net cash flow from financing activities</b>	<b>(10,84,49,373)</b>	<b>(1,25,82,159)</b>
<b>Increase in cash and cash equivalents</b>	<b>(3,06,52,776)</b>	<b>2,00,73,169</b>
Cash and cash equivalents at the beginning of the year	6,30,74,757	4,30,01,588
Cash and cash equivalents at the end of the year	<b>3,24,21,980</b>	<b>6,30,74,757</b>
Components of Cash and Cash Equivalents at the end of year		
<b>Particulars</b>	<b>As at 31-Mar-2022</b>	<b>As at 31-Mar-2021</b>
Cash on hand	67,60,646	6,29,00,583
Balance with banks	2,56,61,334	1,74,174
Cash and Cash Equivalents (closing)	<b>3,24,21,980</b>	<b>6,30,74,757</b>
<b>Note :</b> The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.		
<i>This is the Cash Flow Statement referred to in our audit report of even date</i>		
<b>For JAIN JAGAWAT KAMDAR &amp; CO</b>	For and on behalf of the Board of Directors	
<b>Chartered Accountants</b>	<b>LIBAS CONSUMER PRODUCTS LIMITED</b>	
<b>Firm Regn No. 122530W</b>		
<b>CA Chandra Shekhar Jagawat</b>	<b>Reshma Ganji</b>	<b>Riyaz Ganji</b>
<b>Partner</b>	<b>Managing Director</b>	<b>Whole Time Director</b>
<b>Mem No:116078</b>	<b>DIN:07576582</b>	<b>DIN 02236203</b>
	<b>Nita Mishra</b>	<b>Nishant Mahimtura</b>
	<b>Company Secretary</b>	<b>Director &amp; CFO</b>
	<b>Mem No: A39489</b>	<b>DIN: 02000572</b>
<b>Date : 30th May, 2022</b>	<b>Date: 30th May, 2022</b>	
<b>Place: Mumbai</b>	<b>Place: Mumbai</b>	





**LIBAS CONSUMER PRODUCTS LIMITED**  
**Statement of Changes in Equity for the Year ended March 31, 2022**

**(A) Equity share capital**

Particulars	Number	Amount in Rs.
Equity shares of Rs. 10 each issued, subscribed and paid		
<b>As at 01 April 2018</b>	<b>75,00,000</b>	<b>7,50,00,000</b>
Issue of Bonus equity shares	37,50,000	3,75,00,000
<b>As at 31 March 2019</b>	<b>1,12,50,000</b>	<b>11,25,00,000</b>
Issue of equity shares	10,00,000	1,00,00,000
<b>As at 31 March 2020</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>
Issue of equity shares	-	-
<b>As at 31 March 2021</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>
Issue of Bonus equity shares	53,90,000	5,39,00,000
<b>As at 31 March 2022</b>	<b>1,76,40,000</b>	<b>17,64,00,000</b>

**(B) Changes in Equity**

Particulars	Amount
<b>As at 31 March 2020</b>	<b>26,47,55,333</b>
Add: Profit/(Loss) for the year	(1,16,64,916)
Add: Foreign Currency Translation Reserve	(14,93,603)
<b>As at 31 March 2021</b>	<b>25,15,96,814</b>
Add: Profit/(Loss) for the year	8,74,31,964
Bonus Issue	(5,39,00,000)
Less: Dividend	(14,70,000)
Add: Foreign Currency Translation Reserve	39,83,099
<b>As at 31 March 2022</b>	<b>28,76,41,877</b>

This is the Statement of Changes in Equity referred to in our audit report of even date

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

**CA Chandra Shekhar Jagawat**  
Partner  
Mem No:116078

For and on behalf of the Board of Directors  
**LIBAS CONSUMER PRODUCTS LIMITED**

**Reshma Ganji**  
Managing Director  
DIN:07576582

**Nita Mishra**  
Company Secretary  
Mem No: A39489

**Riyaz Ganji**  
Whole Time Director  
DIN 02236203

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

Date : 30th May, 2022  
Place: Mumbai

Date : 30th May, 2022  
Place: Mumbai

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### Note 1 : Significant Accounting Policies:

##### A 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. In current Financial year company has changed its name to "LIBAS CONSUMER PRODUCTS LIMITED". 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).

##### B Basis of Accounting:

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements for all periods upto and including year ended 31 March 2019 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31 March 2020 are the first financial statements prepared by the Company in accordance with Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

##### C Use of Estimates:

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

##### i) Estimates and assumptions

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

##### ii) Defined benefit plans

The cost and present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### D Property, Plant and Equipment

##### i) Tangible Assets

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its Property, Plant and Equipment and use that carrying value as the deemed cost except for certain class of assets which are measured at fair value as deemed cost on the date of transition i.e. 1 April 2018.

#### Depreciation and Amortisation:

i) Depreciation on all fixed assets, except Leasehold Improvements and intangible assets, is provided on Written Down value method over the useful life of Asset and in the manner as prescribed by Schedule II of the Act.

#### Financial Instruments

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

##### i) Financial Assets

##### Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent Measurement

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

##### Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its equity investments in subsidiaries, if any, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2018.

#### Impairment of Fixed Assets:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### **E Depreciation and Amortisation:**

i) Depreciation on all fixed assets, except Leasehold Improvements and intangible assets, is provided on Written Down value method over the useful life of Asset and in the manner as prescribed by Schedule II of the Act.

#### **F Financial Instruments**

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

##### **i) Financial Assets**

##### **Initial Recognition**

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **Subsequent Measurement**

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

##### **Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### **Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its equity investments in subsidiaries, if any, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2018.

#### **G Impairment of Fixed Assets:**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### F Financial Instruments

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

##### i) Financial Assets

###### Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

###### Subsequent Measurement

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

###### Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

###### Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its equity investments in subsidiaries, if any, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2018.

#### G Impairment of Fixed Assets:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

#### H De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

##### b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

###### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### I Financial Liabilities

##### i) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below

##### Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

##### Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

##### iii) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

##### iv) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

#### J Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### **K Trade receivables**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

#### **L Trade payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

#### **M Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

#### **N Cash and Cash Equivalents**

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

#### **O Borrowing Costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

#### **P Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from sale of products is recognised, in accordance with the sales contract, on delivery of goods to the customer.

Business facility income is recognised on accrual basis as per the terms of contract.

Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.

#### **Q Foreign Currency Transactions:**

##### **a Initial Recognition**

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

##### **b Conversion**

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### **c Treatment of Exchange Difference**

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

#### **R Inventories**

- i) Finished Goods are valued at lower of cost or net realisable value.
- ii) Cost is arrived on First in First out basis.

#### **S Provisions and Contingent Liabilities:**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

#### **T Employee Benefits**

##### **i) Defined Contribution Plan**

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

##### **ii) Defined Benefit Plan**

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

##### **iii) Short-term Benefits**

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

#### **U Accounting for Taxes of Income:-**

##### **i) Current Taxes**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### **ii) Deferred Taxes**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



## LIBAS CONSUMER PRODUCTS LIMITED

### Notes to consolidated financial statements for the Year ended March 31, 2022

#### iii) Minimum Alternative Tax

Minimum Alternative Tax (MAT) credit is recognised as an assets in accordance with the recommendation contained in the Guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement . The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### V Leases

##### Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

##### Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

**Note 2 : Property, Plant and Equipment**

Particulars	Office Premises	Furniture & Fixtures	Office Equipments	Computers	Plant & Machinery	Motor Vehicle	Total
<b>Gross Carrying Amount (at deemed cost)</b>							
<b>As at April 01, 2018</b>	<b>1,12,66,500</b>	<b>1,16,43,962</b>	<b>10,37,132</b>	<b>10,85,396</b>	<b>3,69,122</b>	<b>-</b>	<b>2,54,02,112</b>
Additions	-	58,90,816	1,71,044	1,38,129	1,83,800	-	63,83,789
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>1,12,66,500</b>	<b>1,75,34,778</b>	<b>12,08,176</b>	<b>12,23,525</b>	<b>5,52,922</b>	<b>-</b>	<b>3,17,85,901</b>
Additions	-	-	51,500	1,19,388	-	18,75,000	20,45,888
Disposals	-	4,50,000	-	-	-	-	4,50,000
<b>As at March 31, 2020</b>	<b>1,12,66,500</b>	<b>1,70,84,778</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>5,52,922</b>	<b>18,75,000</b>	<b>3,33,81,789</b>
Additions	24,07,000	-	-	-	-	-	24,07,000
Disposals	-	39,85,289	-	-	-	-	39,85,289
<b>As at March 31, 2021</b>	<b>1,36,73,500</b>	<b>1,30,99,489</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>5,52,922</b>	<b>18,75,000</b>	<b>3,18,03,500</b>
Additions	-	-	-	-	65,428	-	65,428
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,36,73,500</b>	<b>1,30,99,489</b>	<b>12,59,676</b>	<b>13,42,913</b>	<b>6,18,350</b>	<b>18,75,000</b>	<b>3,18,68,928</b>
<b>Accumulated Depreciation</b>							
<b>As at April 01, 2018</b>	<b>8,28,552</b>	<b>23,68,839</b>	<b>4,24,324</b>	<b>5,86,471</b>	<b>1,21,529</b>	<b>-</b>	<b>43,29,715</b>
Depreciation charge	9,91,605	36,34,112	3,12,419	3,76,450	54,476	-	53,69,061
Deletions / Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>18,20,157</b>	<b>60,02,951</b>	<b>7,36,743</b>	<b>9,62,921</b>	<b>1,76,005</b>	<b>-</b>	<b>96,98,776</b>
Depreciation for the year	8,97,403	28,81,499	2,23,066	1,90,018	68,222	4,22,373	46,82,581
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2020</b>	<b>27,17,560</b>	<b>88,84,450</b>	<b>9,59,809</b>	<b>11,52,939</b>	<b>2,44,227</b>	<b>4,22,373</b>	<b>1,43,81,357</b>
Depreciation for the year	9,29,370	18,41,894	1,11,939	1,14,704	55,874	4,53,656	35,07,437
Disposals	-	(28,66,402)	-	-	-	-	(28,66,402)
<b>As at March 31, 2021</b>	<b>36,46,930</b>	<b>78,59,942</b>	<b>10,71,748</b>	<b>12,67,643</b>	<b>3,00,101</b>	<b>8,76,029</b>	<b>1,50,22,392</b>
Depreciation for the year	8,41,080	13,65,027	78,542	42,257	54,748	5,85,563	29,67,216
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>44,88,010</b>	<b>92,24,970</b>	<b>11,50,289</b>	<b>13,09,900</b>	<b>3,54,849</b>	<b>14,61,592</b>	<b>1,79,89,609</b>
<b>Net carrying value</b>							
<b>Balance as at 01 April 2018</b>	<b>1,04,37,948</b>	<b>92,75,123</b>	<b>6,12,808</b>	<b>4,98,925</b>	<b>2,47,593</b>	<b>-</b>	<b>2,10,72,397</b>
<b>Balance as at 31 March 2019</b>	<b>94,46,343</b>	<b>1,15,31,827</b>	<b>4,71,433</b>	<b>2,60,604</b>	<b>3,76,917</b>	<b>-</b>	<b>2,20,87,124</b>
<b>Balance as at 31 March 2020</b>	<b>85,48,940</b>	<b>82,00,328</b>	<b>2,99,867</b>	<b>1,89,974</b>	<b>3,08,695</b>	<b>14,52,627</b>	<b>1,90,00,431</b>
<b>Balance as at 31 March 2021</b>	<b>1,00,26,570</b>	<b>52,39,547</b>	<b>1,87,928</b>	<b>75,270</b>	<b>2,52,821</b>	<b>9,98,971</b>	<b>1,67,81,108</b>
<b>Balance as at 31 March 2022</b>	<b>91,85,490</b>	<b>38,74,519</b>	<b>1,09,387</b>	<b>33,013</b>	<b>2,63,501</b>	<b>4,13,409</b>	<b>1,38,79,319</b>

The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value of all its Property, Plant and Equipment and Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per Previous GAAP and use that as its deemed cost as at the date of transition (i.e. April 1, 2018).

Particulars	Gross Block (As Cost)	Accumulated Depreciation
<b>As at 01-04-2018</b>		
Office Premises	1,12,66,500	8,28,552
Furniture & Fixtures	1,16,43,962	23,68,839
Office Equipments	10,37,132	4,24,324
Computers	10,85,396	5,86,471
Plant & Machinery	3,69,122	1,21,529
<b>TOTAL</b>	<b>2,54,02,112</b>	<b>43,29,715</b>

**Note 3 : Right-of-use assets**

Particulars	Amount (in Rs.)
<b>Gross carrying value</b>	
<b>Balance as at 01 April 2018</b>	<b>3,54,58,048</b>
Additions	2,42,31,325
Disposals / Adjustments	-
<b>Balance as at 31 March 2019</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	-
<b>Balance as at 31 March 2020</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>5,96,89,373</b>
Additions	-
Disposals / Adjustments	(2,09,15,515)
<b>Balance as at 31 March 2022</b>	<b>3,87,73,858</b>
<b>Accumulated Amortization</b>	
<b>Balance as at 01 April 2018</b>	<b>95,96,907</b>
Amortisation charge for the year	1,28,57,870
Deletions / Adjustments	-
<b>Balance as at 31 March 2019</b>	<b>2,24,54,777</b>
Amortisation charge for the year	1,26,98,370
Deletions / Adjustments	-
<b>Balance as at 31 March 2020</b>	<b>3,51,53,147</b>
Amortisation charge for the year	66,51,199
Deletions / Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>4,18,04,345</b>
Amortisation charge for the year	57,74,207
Deletions / Adjustments	(97,90,734)
<b>Balance as at 31 March 2022</b>	<b>3,77,87,818</b>
<b>Net carrying value</b>	
<b>Balance as at 01 April 2018</b>	<b>2,58,61,141</b>
<b>Balance as at 31 March 2019</b>	<b>3,72,34,596</b>
<b>Balance as at 31 March 2020</b>	<b>2,45,36,226</b>
<b>Balance as at 31 March 2021</b>	<b>1,78,85,028</b>
<b>Balance as at 31 March 2022</b>	<b>9,86,040</b>

## LIBAS CONSUMER PRODUCTS LIMITED

Notes to consolidated financial statements for the Year ended March 31, 2022

(Amount in Rs.)

## Note 4 : Investments

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Equity Instruments</b>		
<b>Trade, Unquoted (At FVTPL, unless stated otherwise)</b>		
<b>Others</b>		
Shares in Shamrao Bank	1,00,000	1,00,000
Union Capital Protection Fund	-	-
<b>Investment in Subsidiary</b>		
<b>Trade, Unquoted</b>		
LIBAS DESIGNS FZE LLC	18,88,900	18,88,900
100 Equity share of AED. 1,000 each fully paid up		
Loans & Advances to Subsidiary	41,85,216	41,85,216
Less: Inter Company Adjustment	(27,21,514)	(27,21,514)
	<b>34,52,602</b>	<b>34,52,602</b>

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Aggregate of non-current investments:</b>		
Book value of investments	34,52,602	34,52,602
Investments carried at deemed cost	18,88,900	18,88,900
Investments carried at fair value through profit and loss	1,00,000	1,00,000

## Note 5 : Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	50,70,219	62,83,540
	<b>50,70,219</b>	<b>62,83,540</b>

## Note 6 : Other non - current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to creditors	13,89,600	1,29,69,600
Other Advances	7,18,85,033	5,94,11,618
Other Non-Current Assets (Deferred Assets)	42,234	76,109
	<b>7,33,16,867</b>	<b>7,24,57,327</b>

## Note 7 : Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials	13,79,40,094	10,00,69,397
Finished Goods	17,44,67,189	12,59,97,931
	<b>31,24,07,283</b>	<b>22,60,67,328</b>

## Note 8 : Trade receivables

(Unsecured, considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables		
(Unsecured and considered good, unless otherwise stated)		
Outstanding for more than six months	-	15,22,714
Other trade receivables	23,73,54,628	23,73,17,473
Less : Provision for Expected Credit Loss	(28,15,945)	(15,49,810)
<b>Total Receivables</b>	<b>23,45,38,682</b>	<b>23,72,90,377</b>
Current Portion	23,45,38,682	23,72,90,377
Non - Current Portion	-	-

**Note 9 : Cash and cash equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks		
- Current Accounts	2,56,61,334	1,74,174
	67,60,646	6,29,00,583
Cash on Hand		
	<b>3,24,21,980</b>	<b>6,30,74,757</b>

**Note 10 : Other Financial Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Other Receivables	3,33,33,483	1,23,96,393
	<b>3,33,33,483</b>	<b>1,23,96,393</b>

**Note 11 : Other Current Assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	1,24,75,734	-
	<b>1,24,75,734</b>	<b>-</b>

**Note 11 : Equity Share Capital**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised</b>		
2,80,00,000 (March 2021 : 1,50,00,000) equity shares of Rs. 10 each	15,00,00,000	15,00,00,000
<b>Total</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>
<b>Issued, Subscribed and Fully Paid Up</b>		
1,76,40,000 (March 2021 : 1,22,50,000) Equity shares of Rs. 10 each fully paid-up	17,64,00,000	12,25,00,000
<b>Total</b>	<b>17,64,00,000</b>	<b>12,25,00,000</b>

**a) Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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

**b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :**

Particulars	Equity Shares			
	As at March 31, 2022		As at March 31, 2021	
	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	1,22,50,000	12,25,00,000	1,22,50,000	12,25,00,000
Shares Issued during the year	53,90,000	5,39,00,000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>1,76,40,000</b>	<b>17,64,00,000</b>	<b>1,22,50,000</b>	<b>12,25,00,000</b>

**c) Details of Shareholders holding more than 5% shares in the company:**

Name of the Shareholder	Equity Shares			
	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nishant Mahimtura	-	0.00%	30,78,000	25.13%
Riyaz Ganji	27,19,459	15.42%	18,88,494	15.42%
Reshma Ganji	26,67,817	15.12%	18,52,651	15.12%

During the year ended March 31, 2022, the Board of Directors have issued and allotted a total 53,90,000 fully paid up bonus equity Shares of Rs. 10/- each out of which 24,50,000 bonus shares were issued on 09th April, 2021 & 29,40,000 bonus shares were issued on 24th September, 2021 after seeking approval of Shareholders on 25th March, 2021 & 14th September, 2021 respectively.

**LIBAS CONSUMER PRODUCTS LIMITED**
**Notes to consolidated financial statements for the Year ended March 31, 2022**

(Amount in Rs.)

Name of the Promoter	Equity Shares		
	As at March 31, 2022		
	No. of Shares held	% of Holding	% Change in Holding
RIYAZ GANJI	27,19,459	15.42%	0.00%
RESHMA GANJI	26,67,817	15.12%	0.00%

Name of the Promoter	Equity Shares		
	As at March 31, 2022		
	No. of Shares held	% of Holding	% Change in Holding
NISHANT MAHIMTURA	3078000	25.13%	0.00%
RIYAZ GANJI	1888494	15.42%	0.00%
RESHMA GANJI	1852651	15.12%	0.00%

**Note 12 : Other Equity**

Particulars	Amount
<b>As at 31 March 2020</b>	<b>26,47,55,333</b>
Add: Profit/(Loss) for the year	(1,16,64,916)
Add: Foreign Currency Translation Reserve	(14,93,604)
<b>As at 31 March 2021</b>	<b>25,15,96,813</b>
Add: Profit/(Loss) for the year	8,74,31,964
Add: Bonus Shares Issued	(5,39,00,000)
Less: Dividend	(14,70,000)
Add: Foreign Currency Translation Reserve	39,83,099
<b>As at 31 March 2022</b>	<b>28,76,41,876</b>

**Nature and Purpose of Reserves :**
**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Retained Earnings**

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

**Note 13 : Long term Borrowing**
**(Non Current)**

Particulars	As at March 31, 2022	As at March 31, 2022
Secured Loans	-	2,27,23,479
	-	<b>2,27,23,479</b>

**Note 14 : Other financial liabilities**
**(Non Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Loan	1,33,83,822	1,18,63,345
Lease Liability	-	97,36,641
	<b>1,33,83,822</b>	<b>2,15,99,986</b>

**Note 15 : Provisions**  
**(Long term Provisions)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax (net of Advance tax & TDS)	62,81,837	-
Provision for Gratuity	25,18,173	18,03,393
	<b>88,00,010</b>	<b>18,03,393</b>

**Note 16 : Deferred Tax Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	18,16,771	6,91,816
	<b>18,16,771</b>	<b>6,91,816</b>

**Note 17 : Borrowings**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Working Capital Loan from Union Bank of India</b>		
Cash Credit Hypothecation Accounts *	9,68,28,404	15,63,60,789
	<b>9,68,28,404</b>	<b>15,63,60,789</b>

\*(a) Working Capital Loan from Union Bank of India are secured against hypothecation of stock & book debts and co-leteral security by way of Hypothecation 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 & Chairman 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 Guarantee of Directors.

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

**Note 18 : Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small & Medium enterprises (refer note below)*	-	-
Others	12,90,50,594	6,02,97,170
	<b>12,90,50,594</b>	<b>6,02,97,170</b>

**\*Note :** 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 compiling 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.

**Note 19 : Other financial liabilities**  
**(Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Branch Division	-	2,45,793
Statutory Dues Payable	63,97,648	23,11,190
Lease Liability	7,34,577	75,57,463
Other Payable	48,793	49,208
	<b>71,81,017</b>	<b>1,01,63,654</b>

**Note 20 : Provisions**  
**(Current)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	66,307	66,307
Other Provisions	7,13,408	78,85,051
	<b>7,79,715</b>	<b>79,51,358</b>

## LIBAS CONSUMER PRODUCTS LIMITED

Notes to consolidated financial statements for the Year ended March 31, 2022

(Amount in Rs.)

**Note 21 : Revenue From Operations**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of products	85,18,96,200	54,08,07,636
	<b>85,18,96,200</b>	<b>54,08,07,636</b>

**Note 22 : Other Income**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Discount Received	1,48,563	71,350
Interest Income	32,08,099	52,27,318
Reversal of Lease Liability	5,75,611	-
Interest Income on unwinding of deposits	32,678	1,06,825
	<b>39,64,951</b>	<b>54,05,492</b>

**Note 23 : Cost of Material Consumed**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Raw material consumed:</b>		
Opening Stock - Raw Material	8,39,98,621	11,26,59,718
Add : Purchases	75,40,35,090	43,57,83,567
Add : Direct Exps	23,28,759	1,82,23,990
	84,03,62,470	56,66,67,276
Less: Decrease in the value of Stock	-	(4,20,55,650)
Less : Closing Stock - Raw Material	(11,63,11,460)	(10,29,68,203)
	<b>72,40,51,010</b>	<b>42,16,43,423</b>

**Note 24 : Changes in inventories of finished goods, WIP and Stock-in-trade**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Opening stock</b>		
Finished goods	12,59,97,931	14,05,35,206
<b>Total (A)</b>	<b>12,59,97,931</b>	<b>14,05,35,206</b>
<b>Closing stock</b>		
Finished goods	17,44,67,189	12,59,97,931
<b>Total (B)</b>	<b>17,44,67,189</b>	<b>12,59,97,931</b>
<b>Changes in inventories (A-B)</b>	<b>(4,84,69,258)</b>	<b>1,45,37,275</b>

**Note 25 : Employee benefits expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, Wages and Bonus	1,50,84,692	90,77,327
Director Remuneration	24,55,000	30,25,000
Welfare and other benefits	12,600	97,539
	<b>1,75,52,292</b>	<b>1,21,99,866</b>

**Note 26 : Finance costs**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on Term, Working Capital Loans	1,69,95,277	2,07,97,146
Processing fees	5,72,003	9,06,517
Bank Charges	63,87,514	5,28,220
Interest Expenses on Lease Liability	7,68,715	15,33,382
	<b>2,47,23,509</b>	<b>2,37,65,265</b>

**Note 27 : Depreciation and amortisation expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on Property, Plant and Equipment	29,67,216	35,07,437
Amortisation on Right of Use assets	58,08,081	1,03,97,839
	<b>87,75,298</b>	<b>1,39,05,276</b>



**LIBAS CONSUMER PRODUCTS LIMITED**
**Notes to consolidated financial statements for the Year ended March 31, 2022**
**Note 28 : Other expenses**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Sales &amp; Distribution expenses</b>		
Sales Promotion	1,48,63,423	10,58,054
Freight	28,748	40,355
Commission & Discount	14,25,601	16,35,267
Courier charges & Postage	-	47,266
(A)	<b>1,63,17,772</b>	<b>27,80,942</b>
<b>Administration &amp; Other Expenses</b>		
Insurance Expense	-	2,38,443
Sundry Expenses	16,52,585	6,63,763
Audit Fees	6,21,350	6,00,000
Books & Magazines	-	5,880
Provision for Expected Credit Loss	12,66,135	-
Communication & Utilities	6,69,179	11,60,571
Conveyance charges	-	18,033
Donation	-	27,000
Dividend Paid	-	24,50,317
Electricity charges	6,76,602	10,12,978
Hire charges paid	1,00,000	4,03,000
Penalty on GST	-	12,000
Legal Exps	-	10,57,240
Maintenance charges	-	80,941
Written Off	-	79,42,026
Inventory Written off	4,84,090	-
ROC & Listing fee	-	5,25,200
Office Exps	-	8,21,881
Petrol & Diesel Exps	-	5,42,000
Printing & Stationery Exps	19,25,052	4,27,079
Profession Fees	63,56,557	87,66,009
Rent Expenses	(74,741)	(12,66,180)
Repair & Maintenance	1,72,222	3,95,572
Professional Tax	17,500	-
Software Exps	-	11,200
Telephone & Internet Charges Paid	15,06,612	49,412
Tours & Travel	-	1,31,416
(B)	<b>1,53,73,142</b>	<b>2,60,75,781</b>
<b>Total (A+B)</b>	<b>3,16,90,914</b>	<b>2,88,56,723</b>

In case of Rent Expenses, figures has been turns out to be negative, as during the year company has ceased to make payment of Delhi Shop Rent and same is under dispute with shop owner, however effect of Ind AS 116 is continue to be given in the financial statement. As per Ind AS 116, rent expenses as per the agreement needs to be reverse and expenses is to be accounted in the form of Amortisation of Right to Use Assets (ROU Assets), and in the books company has not accounted whole actual rent as per the agreement since dispute with owner.

**Details of Payment to Auditors**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
For Audit Fees	6,21,350	6,00,000
	<b>6,21,350</b>	<b>6,00,000</b>

**Notes to consolidated financial statements for the Year ended March 31, 2022**

**Note 29 : Tax expense:**

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
<b>Current tax expense (A)</b>		
Current tax	89,80,468	-
	<b>89,80,468</b>	<b>-</b>
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	11,24,955	(2,22,955)
	<b>11,24,955</b>	<b>(2,22,955)</b>
<b>Tax expense recognised in the income statement (A+B)</b>	<b>1,01,05,422</b>	<b>(2,22,955)</b>

**Note 30 : Earnings per equity share:**

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Weighted average number of shares outstanding during the period	1,76,40,000	1,22,50,000
Weighted average number of Potential Equity shares outstanding during the year	1,76,40,000	1,22,50,000
Total number of Potential Equity Share for calculating Diluted Earning Per share	1,76,40,000	1,22,50,000
<b>Net Profit \ (Loss) after tax available for equity shareholders</b>	<b>9,14,15,063</b>	<b>(1,16,64,916)</b>
<b>Basic Earning per share (in Rs.)</b>	<b>5.18</b>	<b>(0.95)</b>
<b>Diluted Earning per share (in Rs.)</b>	<b>5.18</b>	<b>(0.95)</b>

**LIBAS CONSUMER PRODUCTS LIMITED**

Notes to consolidated financial statements for the Year ended March 31, 2022

(Amount in Rs.)

**Note 31: Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:**

**i) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)**

**a) Subsidiary Company**

Libas Design LLC (Ajman, U.A.E)

**b) Directors, Key Management Personnel & Relatives of KMP**

Name	Relationship
Nishant Mitrasen Mahimtura	Founder & CEO
Riyaz Eqbal Ganji	Whole Time Director
Reshma Riyaz Ganji	Managing Director
Basant Agarwal	CFO
Nita Prabhat Kumar Mishra	Company Secretary

**c) Enterprises owned or significantly influenced by Key Managerial Personnel and or their relatives**

Smriti Industries (Proprietary Concern of Director -Nishant Mahimtura)

Suchitra Mahimtura (Admin Head - Spouse of Nishant Mahimtura)

Pawan Mahimtura (Hire Charges - Son of Nishant Mahimtura)

Golden Bricks Infrastructure Private Limited (Director Interested)

Reserve Wines Private Limited (Director Interested)

See My Brand Private Limited.

**ii) Transactions with Related Parties during the year**

Name of Party	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Riyaz Eqbal Ganji	Remuneration Paid	12,00,000	12,00,000
Reshma Riyaz Ganji	Remuneration Paid	12,00,000	12,00,000
Nita Prabhat Kumar Mishra (CS)	Remuneration Paid	2,48,200	1,75,000
Suchitra Mahimtura	Salary Paid	50,000	6,00,000
Smriti Industries	Commision Expense	13,80,000	1,38,00,000
Pawan Mahimtura	Hire Charges	1,00,000	4,03,000
See My Brand Private Limited	Purchase	-	1,24,67,250
See My Brand Private Limited	Loan Taken	5,26,35,000	-
See My Brand Private Limited	Loan Repaid	5,00,00,000	-
Golden Bricks Infrastructure Private Limited	Purchase	-	61,19,822
Golden Bricks Infrastructure Private Limited	Sales	1,95,45,690	-
Riyaz Eqbal Ganji	Advance for Expenses	2,91,655	-
Riyaz Eqbal Ganji	Loan Repaid	25,80,000	14,94,754
Reshma Gangji	Loan Given	-	28,840

**iii) Balance Outstanding of Related Parties :**

Name of Party	Receivable / (Payable)	As At March 31, 2022	As At March 31, 2021
Riyaz Eqbal Ganji	Receivable	25,106	23,13,450
Reshma Riyaz Ganji	Receivable	37,86,487	50,64,737
Golden Bricks Infrastructure Private Limited	Receivable	31,78,864	-
Smriti Industries	Payable	9,05,922	1,25,078
LIBAS DESIGN LLC (Ajman, U.A.E)	Receivable	6,00,000	6,00,000
See My Brand Private Limited	Payable	26,35,000	1,64,01,265

Note : Related Parties as disclosed by Management and relied upon by auditors.

**Note 32 : Segment Reporting**

The Company's operating segments are established on the basis of those components that are evaluated regularly by the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

**a) Primary (Business) Segment:**

The Company is primarily engaged in the manufacturing and dealing in textiles. As such, the Company operates in a single segment and there are no separate reportable segments as defined in Ind AS 108 - "Operating Segments". The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

**b) Geographical Information:**

The operation of the Company comprises of local sales and export sales. The Management views the Indian market and Export market as distinct geographical areas. The following is the distribution of the Company's Revenues by geographical markets :

	Year Ended March 31,2022	Year Ended March 31,2021
<b>Revenues</b>		
India	85,18,96,200	54,08,07,636
Export	-	-
The following is the carrying amount of segment assets by geographical area in which the assets are located		
<b>Non-Current Assets (other than financial instruments and deferred tax assets)</b>	<b>Year Ended March 31,2022</b>	<b>Year Ended March 31,2021</b>
India	8,71,96,186	8,92,38,434
Outside India	-	-

**Note 33 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions,Contingent Liabilities and Contingent Assets" are given below:**

The Company has following ongoing litigation as at 31.03.2020

**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 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 against the Company**

-Details of outstanding demand in respect of TDS: Amounting to Rs. 12,43,871/- since 2007 to March 2018.

4. The Company has filed Revision Appeal U/s 34 before Bombay Highcourt against the Arbitration order. The arbitration order dated 09/08/2021 received by the Company. The arbitrator has given order to pay INR 1,48,48,593/- to respondent. The company has not recorded the said liability in the books of account, the Revision Appeal is pending for hearing.

**Note 33 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**

**A Defined benefit obligations - Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
<b>a) Changes in defined benefit obligations</b>		
<b>Present value of obligation as at the beginning of the year</b>		
Defined Benefit Obligation ("PBO") at the beginning of the year	18,69,700	18,69,700
Service cost / INDAS (Refer Note Below)	7,14,780	
Interest cost		
Actuarial loss / (gain)		
Benefits paid		
<b>Present value of obligation as at the end of the year</b>	<b>25,84,480</b>	<b>18,69,700</b>
<b>b) Changes in Plan Assets</b>		
<b>Opening value of plan assets</b>		-
<b>Closing value of plan assets</b>		-
<b>c) The amounts recognised in the Balance Sheet are as follows:</b>		
Present value of obligation as at the end of the year	25,84,480	18,69,700
Fair Value of plan assets as at the end of the year		
<b>Net (assets) / liability recognised in balance sheet</b>	<b>25,84,480</b>	<b>18,69,700</b>
<b>d) Expenses recognised in the Statement of Profit and Loss</b>		
Service cost		-
Net Interest Cost		-
<b>Total</b>		-
<b>e) Remeasurement (gains)/ losses recognised in OCI</b>		
Actuarial changes arising from changes in financial assumptions		-
Actuarial changes arising from changes in demographic assumptions		-
Due to experience adjustments		-
<b>Total</b>		-

Particulars	31st March 2022	31st March 2021
<b>f) Actuarial assumptions</b>		
Discount rate		7.69% p.a
Normal retirement age (in years)		60 Years
Salary escalation rate (% p.a.) *		10.00% p.a
Attrition rate		13.00%
Mortality rate		100% of IALM 2006-08

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**g) Quantities sensitivity analysis for significant assumption is as below:**

Particulars	31st March 2022	31st March 2021
i. Discount rate		
0.5 % Increase		
0.5 % Decrease		
ii. Salary escalation rate		
1.00 % Increase		
1.00 % Decrease		
iii. Attrition rate		
5.00 % Increase		
5.00 % Decrease		

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

**Note:- The Company has not taken Actuarial valuation during the year and has not provided for the Gratuity Liability in its books of accounts for the year, as required under Ind AS-19.**

**LIBAS CONSUMER PRODUCTS LIMITED**

#VALUE!

**Note 34 : Capital Management**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	9,68,28,404	15,63,60,789
Cash and Cash equivalents	-3,24,21,980	-6,30,74,757
<b>Net Debt</b>	<b>6,44,06,424</b>	<b>9,32,86,032</b>
Equity	46,40,41,877	37,40,96,814
<b>Total Capital</b>	<b>46,40,41,877</b>	<b>37,40,96,814</b>
Capital and Net Debt	52,84,48,301	46,73,82,847
Gearing ratio (Net Debt/Capital and Net Debt)	12%	20%

**Note 35 : Summary of Significant Ratios**

Sr.No.	Particulars	As on 31/03/2022	As on 31/03/2021
1	Current Ratio	2.67	2.30
2	Debt Equity Ratio	0.34	0.62
3	Debt Service Coverage Ratio	5.15	0.82
4	Return on Equity Ratio	0.05	-0.01
5	Inventory Turnover Ratio	0.78	0.43
6	Trade Receivables Turnover Ratio	0.90	0.67
7	Trade Payables Turnover Ratio	1.99	2.21
8	Net Capital Turnover Ratio	1.09	0.89
9	Net Profit Ratio	10.26%	-2.16%
10	Return on Capital employed	0.22	0.10

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

In terms of our report of even date <b>For JAIN JAGAWAT KAMDAR &amp; CO</b> Chartered Accountants Firm Regn No. 122530W		For and on behalf of the Board of Directors <b>LIBAS CONSUMER PRODUCTS LIMITED</b>	
CA Chandra Shekhar Jagawat Partner Mem No:116078		Reshma Ganji Managing Director DIN:07576582	Riyaz Ganji Managing Director DIN - 00002098
		Nita Mishra Company Secretary Mem No: A39489	Nishant Mahimtura Director & CFO DIN: 02000572
Date : 30th May, 2022 Place: Mumbai		Date : 30th May, 2022 Place: Mumbai	