



C P S Shapers Pvt. Ltd.

201-202, 2nd Flr, Swarnini Ind. Est. No.3, Opp Varun Industries,
Nandl Nagar, Wafv, Vasa | E]. Thana - 401208, India.
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CIN: U18109MH2012PTC231749

DIRECTOR'S REPORT

Dear Members,

The Board of Directors have pleasure in presenting this 8th Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2020.

1) Financial Summary / Performance of the company:

PARTICULARS	₹	₹
	Year ended 31/03/2020	Year ended 31/03/2019
Revenue from Operations	155255092	145452070
Other Income	367813	330744
Total Income	155622906	145782814
Profit before Finance Cost, Depreciation & Amortization and Taxation	(3558921)	(14272013)
Less: Finance Cost	10051431	7827687
Profit before Depreciation & Amortization & Taxation	(13610352)	(22099700)
Less: Depreciation & Amortization	3538720	3642750
Profit before Taxation	(17149072)	(25742450)
Less: Provision for Taxation		
Current Tax	--	--
Deferred Tax	(372960)	(83620)
Profit after Taxation	(16776112)	(25658830)
Add: Balance brought forward	(14832478)	10826352
Balance carried to Balance Sheet	(31608590)	(14832478)

2) Operations

The Company has reported turnover of ₹155,255,092 for the current year as compared to ₹145,452,070 in the previous year. The Net Profit /(Loss) for the year under review amounted to ₹ (16,776,112) in the current year as compared to ₹(25,658,830) in the previous year.

3) Transfer to reserves

The Company has not transferred any amount to reserves.

4) Dividend

In view of loss, your directors do not recommend any dividend for financial period 2019-20.

5) Material Changes between the date of the Board report and end of financial year.

There have been no material changes and 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.

6) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7) Subsidiary Company:

As on March 31, 2020 the Company does not have any subsidiary.

8) Statutory Auditor:

At the 4th Annual General Meeting held on September 30, 2016, M/s. R.I. Choksey & Co, Chartered Accountants (FRN No. 101871W) were appointed as the Statutory Auditors of the Company to hold office until the conclusion of the 9th Annual General Meeting to be held in the calendar year 2021 subject to ratification of their appointment at every Annual General Meeting by the shareholders.

In terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of M/s. R.I. Choksey & Co, Chartered Accountants (FRN No. 101871W) as statutory auditors of the Company, has been placed for ratification by the shareholders in the ensuing Annual General Meeting.

In this regard the Company has obtained a written consent pursuant to Section 139 and 141 of the Companies Act, 2013 to such continued appointment and also a certificate from them to the effect that their appointment, if ratified, would be in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder, as may be applicable.

Your Directors proposes ratification of the appointment of M/s. R.I. Choksey & Co., Chartered Accountants as Statutory Auditors of the Company for approval of the shareholders in the ensuing Annual General Meeting.

9) Clarification regarding observation by auditors in their Emphasis of Matter paragraph of the report.:

With reference to the accumulated losses exceeding the paid-up capital and free reserves the promoters are confident of their capability of meeting the financial commitments of the Company in the foreseeable future as is evident by improvement in sales, operating incomes and meeting liabilities of the Banks.

10) Explanation to the Qualification in Auditor's Report:

The Statutory Auditor in his Audit Report has commented about noncompliance of AS 15 w.r.t employees benefits. The management has taken note of the same.

11) Change in the nature of business:

There is no change in the nature of the business of the company.

12) Deposits:

During FY 2016-17 the Company accepted one Fixed Deposit (FD) of Rs. 35 Lacs which was matured & renewed during the year. FD outstanding at the year end was Rs. 35 Lacs. During FY 2019-20 there was no default in repayment of deposit or payment of interest thereon.

13) Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

14) Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 (1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15) Number of meeting of the Board:

During the year 2019-20, the Board of Directors met five times viz on 12/04/2019, 29/06/2019, 30/09/2019, 23/12/2019 & 14/03/2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

16) Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2020 and of the statement of profit and loss of the company for that period;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (iv) The directors have prepared the annual accounts on a going concern basis;
- (v) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17) Declaration by Independent Directors

The Company is not required to appoint Independent Directors under Section 149 (4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

18) Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company, being a Private Limited Company is not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

19) Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/given guarantees/made investments.

20) Particulars of Employees:

The Company, being a Private Limited Company is not required to disclose information as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

21) Extract of The Annual Return in Form MGT-9

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies Management and Administration) Rules, 2014, the extract of annual return is given in "Annexure B" in the prescribe Form MGT-9, which forms part of this report.

22) Related Party Transactions:

As mentioned in the Note No. 28 under the head notes to accounts.

23) Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The details of material related party transactions at an aggregate level for the year ended 31st March, 2020 is annexed as Annexure "C"

24) Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude for the enthusiasm and dedication shown by the customers & the bankers to the Company for their valuable support and all those who have helped in the day to day management and look forward to their continued co-operation in the years to come.

Finally, the Directors wish to express their gratitude to the Members for their trust and support.

**For and on behalf of the Board of Directors
CPS Shapers Private Limited**

<u>Sd/-</u>	<u>Sd/-</u>
Rajendra Kumar	Abhishek Kamal Kumar
Director	Director
DIN: 03513800	DIN: 03513668

Place: Mumbai

Dated: 19th December, 2020

ANNEXURE "A"



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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY :

a)	Energy Conservation	Energy saving measure is being implemented to reduce energy cost
b)	Additional investment and proposals, if any, being implemented for reduction of consumption of energy.	Nil
c)	Impact of the measures at (a) and (b) above reduction of energy and consequent impact on cost of production.	Cost of Production will come down & Prices will become competitive

B. TECHNOLOGY ABSORPTION :

d)	Efforts made in technology absorption.	The new process technology tested has resulted in better utilities resulting in less man power and power consumption. The Quality and type of manufacturing process has further improved, rejection & repair rate has been minimised
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C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

f)	Activities relating to export initiatives taken to increase exports, development of new export markets for products and services and export plans.	The Company has planned expansion of export markets.
g)	Total foreign exchange used and earned.	Refer to note no. 30 of notes to accounts

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U18109MH2012PTC231749
ii	Registration Date	01-06-12
iii	Name of the Company	C P S Shapers Private Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Indian Non Govt Co.
v	Address of the Registered office & contact details	203/204 Swamini Ind. Estate III, Nanal Nagar, Opp. Varun Industries, Waliv, Vasai (East), Dist. Palghar - 401208.
vi	Whether listed company	NO
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the
1	Compression Garments Products		100%
2			
3			

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					
2					

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(I) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	-	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	370000	370000	74%	-	370000	370000	74%	-	-
b) Central Govt or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	130000	130000	26%	-	130000	130000	26%	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (1)	-	500000	500000	100%	-	500000	500000	100%	-	-
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = {A}{1}+{A}{2}	-	500000	500000	100%	-	500000	500000	100%	0%	0%
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FII/S	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B){1}:	-	-	-	-	-	-	-	-	-	-
(2) Non Institutions										
a) Bodies corporates	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B){2}:	-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = {B}{1}+{B}{2}	-	-	-	-	-	-	-	-	-	-
ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	500000	500000	100%	-	500000	500000	100%	-	-

(II) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Rajendra Kumar	160000	32%	-	160000	32%	-	-
2	Abhishek Kamal Kumar	130000	26%	-	130000	26%	-	-
3	Kamlesh Kumar	79900	15.98%	-	79900	15.98%	-	-
4	Dayal Hosiery Pvt Ltd	80000	16%	-	80000	16%	-	-
5	CP&S Orthotics Pvt Ltd	50000	10%	-	50000	10%	-	-
6	Amit Kaushik	100	0.02%	-	100	0.02%	-	-
	Total	500000	100%	-	500000	100%	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Share holding at the beginning of the Year	Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company
	At the beginning of the year		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There is no change in Promoters Shareholding between 01/04/2019 to 31/03/2020	
	At the end of the year		

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

Sl. No.	Shareholding at the end of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders		
	At the beginning of the year		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NOT APPLICABLE	
	At the end of the year (or on the date of separation, if separated during the year)		

(v) Shareholding of Directors & KMP

Sl. No.	Shareholding at the end of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
	For Each of the Directors & KMP		
	At the beginning of the year		
	Rajendra Kumar	160000	32%
	Abhishek Kamal Kumar	130000	26%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	There is no change during the year
	At the end of the year	290000	58%

ANNEXURE "C"

VII

V INDEBTEDNESS

(in ₹)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans #	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	50053470	20359829	3500000	73913299
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	50053470	20359829	3500000	73913299
Change in Indebtedness during the financial year				
Additions	1992808	15187654	3500000	20680462
Reduction	(662,948)	(5,363,400)	(3,500,000)	(9,526,348)
Net Change	1329860	9824254	0	11154114
Indebtedness at the end of the financial year				
i) Principal Amount	51383330	30184083	3500000	85067413
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	51383330	30184083	3500000	85067413

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(in ₹)

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Rajendra Kumar CMD	Abhishek Kamal Kumar WTD	Sunil Kumar Jain	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the (b) Value of perquisites u/s 17(2) of the Income tax Act, (c) Profits in lieu of salary under section 17(3) of the	2,040,000	2,040,000	360,000	4,440,000
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others (specify)	-	-	-	-
5	Others, please specify - Medical Allowance	-	-	-	-
	Total (A)	2,040,000	2,040,000	360,000	4,440,000
	Ceiling as per the Act				

ANNEXURE "C"

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount	
1	Independent Directors	-	-	-	-	-
	(a) Fee for	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non Executive Directors	-	-	-	-	-
	(a) Fee for	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify.	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act.	-	-	-	-	-

C. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total	Total
		CEO	Company Secretary	CFO		
1	Gross Salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	-	-	-	-	-

ANNEXURE "C"



VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees Imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil		
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil		
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil		

FORM NO. AOC-2

(Pursuant to clause (h) of sub 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 transactions under third proviso thereto.

1 Details of Contracts or arrangements or transactions not at arm's length basis: NIL (All related party transactions are take up on arm length basis

2 Details of material contracts or arrangement of transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Sunil Kumar Jain	Loan Received, Purchase of Materials	Transactions had taken place during the period 1st April 2019 to 31st March 2020	Ordinary Business Transactions	N.A Since the contract was entered into in the ordinary course of business and on arm's length basis	Nil
					Nil

INDEPENDENT AUDITORS' REPORT

To

The Members of

C P S SHAPERS PRIVATE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of C P S Shapers Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, **subject to**

1. No Provision is being made since FY 2018-19 in respect of accrued gratuity liability as per AS 15 on "employee benefits";

2. The accounts for the year have been drawn up on a going concern basis, despite accumulated losses exceeding the paid-up capital and free reserve

the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss and cash flow for the year ended on that date.

Basis for opinion

No provision has been made for the present value of the accrued Gratuity Liability nor is actuarial valuation done as at March 31, 2020 which constitutes a departure from the Accounting Standards on Employees Benefits (AS 15) referred to in Section 133 of the Act (refer note no. 2.7 forming part of accounts).

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our

report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. Attention is drawn to the accumulated losses exceeding the paid-up capital and free reserves of the Company.
2. While the Company has taken due care in concluding on accounting judgements and estimates regarding assets (based on information available to date) and continues to monitor the impact of COVID - 19 on its operations; for a definitive assessment of the impact in the subsequent period dependence upon circumstances as they evolve would be necessary.

Our opinion is not modified in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report and other related disclosures but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial

statements 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.

Management's responsibility for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls (reporting u/s. 143(3)(i) of the Companies Act 2013 is not applicable to company as it is covered under MCA's Notification No. 583(E) dated June 13, 2017).
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. *However, future events or conditions may cause the Company to cease to continue as a going concern.*
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards from the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss and cash flow dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements, subject to our qualification, 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, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2020 from being appointed as a Director in terms of Section 164 (2) of the Act;

(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

R. I. Choksey & Co.

CHARTERED ACCOUNTANTS

Continuation Sheet No.....

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

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R I Choksey & Co.
Chartered Accountants
F. R. No. 101871W**

Sd/-

**R I Choksey
M. No. 31169
UDIN : 21031169AAAAAU5269**

Place : Mumbai

Date : 19th December, 2020.

ANNEXURE- A TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regularity Requirements section of our report of even date)

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
 - (b) We have been informed that the management in accordance with a phased programme of verification adopted by the company has physically verified a major portion of the assets. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.
 - (c) According to information and explanations given to us and the records examined by us and based on the examination of the agreements, deeds, Index II provided to us, we report that, the title to the immovable properties at Vasai & Meerut, are held in the name of the Company as at balance sheet date.
- (ii) As explained to us, inventory consisting of consumables has been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and the book records were not material.
- (iii) The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in section 189 of the Act. Therefore para 3 (b) & 3(c) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has neither granted loans to directors nor made investments in investment companies, therefore provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making of investments and providing guarantees and securities is not applicable to the Company and hence the provision of the para 3(iv) of the Order are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 73, 74, 75 and 76 or any other provisions of the Act and the Rules framed there under to the extent notified, with regard to the deposits accepted from the member. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court of any other Tribunal on the Company in respect of the aforesaid deposit.

CHARTERED ACCOUNTANTS

(vi) We have been informed by the management; the provisions of para (vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing applicable undisputed statutory dues including provident fund, employees' state insurance, income tax, Valued Added Tax, Service tax, Goods & Service Tax Act, Custom duty, Excise duty, Cess and other material statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Goods & Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) There are no dues of Service Tax, Goods & Service Tax, Custom Duty, Excise Duty as on March 31, 2020 on account of disputes.

Details of dues of Income Tax which have not been deposited as on 31st March, 2020 on account of disputes are given below:

Name of Statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income -Tax	292,600 *	2013-14	First Appellate Authority
Income Tax Act, 1961	Income -Tax	172,170	2017-18	First Appellate Authority-
Income Tax Act, 1961	Income -Tax	108,305	2018-19	First Appellate Authority-

* Demand already recovered by Income Tax Department against subsequent year's refund

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in payment of dues to financial institution, bank, and government.

(ix) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Term Loan availed by the Company has been applied for the purpose for which they were obtained.

- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us, provisions of section 197 read with Schedule V to the Act, do not apply to Private Limited Company, and therefore reporting under para 3(xi) is not required.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under para 3(xiv) is not applicable to Company.
- (xv) In our opinion and according to the information and explanation given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

FOR R.I. Choksey & Co.
Chartered Accountants
FRN 101871W

Sd/-

R.I. Choksey
M.No.31169

Place: Mumbai

Date: 1st December, 2020

CPS SHAPERS PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH 2020

	Notes	₹ 31st March 2020	₹ 31st March 2019
I Equity and Liabilities			
1 Shareholder's funds			
(a) Share Capital	3	5,000,000	5,000,000
(b) Reserve and Surplus	4	(31,808,590)	(14,832,478)
	A	<u>(26,808,590)</u>	<u>(9,832,478)</u>
2 Non-current Liabilities			
(a) Long-term Borrowings	5	38,344,190	31,522,523
(b) Deferred Tax Liabilities (Net)	6	-	-
(c) Long-term Provisions	7	3,698,181	3,698,181
	B	<u>42,042,351</u>	<u>35,220,684</u>
3 Current Liabilities			
(a) Short-term borrowings	8	48,264,880	46,272,072
(b) Trade Payables	9	-	-
(i) Outstanding dues of Micro, Small & Medium Ent		-	-
(ii) Outstanding dues of other than Micro, Small & Medium Enterprise		28,185,119	28,094,290
(c) Other Current Liabilities	9	10,017,839	9,337,350
(d) Short-term Provisions	7	278,221	278,221
	C	<u>86,746,058</u>	<u>83,981,934</u>
		TOTAL A+B+C	TOTAL A+B+C
		<u>102,179,819</u>	<u>109,370,140</u>
II Assets			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	22,130,758	23,968,015
(ii) Intangible Assets	11	704,966	524,701
(b) Deferred Tax Assets (Net)	6	2,041,112	1,668,152
(c) Long-term Loans and Advances	12	68,825	72,864
(d) Trade Receivables	13.1	-	-
(e) Other Non-current Assets	13.2	-	-
	D	<u>24,945,761</u>	<u>26,233,732</u>
2 Current Assets			
(a) Current Investments	14	-	-
(b) Inventories	15	57,737,231	61,197,863
(c) Trade Receivables	13.1	12,097,312	15,968,982
(d) Cash and Bank Balances	18	1,887,006	1,052,010
(e) Short-term Loans and Advances	12	4,961,002	4,748,546
(f) Other Current Assets	13.2	551,508	168,908
	E	<u>77,234,058</u>	<u>83,136,408</u>
		TOTAL D+E	TOTAL D+E
		<u>102,179,819</u>	<u>109,370,140</u>

As per our report Even Date

For R I Choksey & Co.
Chartered Accountants
FRN : 101871Wsd/-
R I. Choksey
M.No. 31169Place : Mumbai
Date : 19 December 2020

For CPS Shapers Pvt Ltd.

sd/-
Rajendra Kumar
(DIN:03513800)
DirectorPlace : Mumbai
Date : 19 December 2020sd/-
Abhishek Kumar
(DIN:03513688)
Director

CPS SHAPERS PRIVATE LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

	Notes	₹ 31st March 2020	₹ 31st March 2019
I Continuing Operations			
I Revenue from operations (gross)	17	155,255,092	145,452,070
Less : Excise Duty			
Revenue from operations (net)		<u>155,255,092</u>	<u>145,452,070</u>
II Other Income	18	367,813	330,743
III Total Revenue (I +II)		<u>155,622,905</u>	<u>145,782,814</u>
IV Expenses			
Cost of Materials consumed	19	79,529,613	65,633,076
(Increase)/Decrease in stock-in-trade	20	(9,405,842)	8,370,956
Employee benefits expense	21	57,734,448	54,842,034
Depreciation & amortization expenses	22	3,538,720	3,642,750
Finance Cost	23	10,051,431	7,827,887
Other expenses	24	31,323,407	31,208,759
Total Expenses		<u>172,771,978</u>	<u>171,525,263</u>
V Profit before exceptional and extra-ordinary items and tax (III - IV)		(17,149,072)	(25,742,450)
VI Exceptional Items			
VII Profit before extraordinary items and tax (V-VI)		(17,149,072)	(25,742,450)
VIII Extraordinary items			
IX Profit before Tax (VII-VIII)		(17,149,072)	(25,742,450)
X Tax Expenses			
(1) Current Tax		(372,960)	(83,620)
(2) Deferred Tax		(372,960)	(83,620)
XI Profit (Loss) for the period from continuing operations (IX -X)		<u>(16,776,112)</u>	<u>(25,868,830)</u>
XII Earnings Per Equity Share (Nominal Value of Share Rs.10/- (31st March 2019 Rs.10/-))			
(1) Basic		₹ -33.55	₹ -51.32
(2) Diluted		₹ -33.55	₹ -51.32

As per our report Even Date

For R I Choksey & Co.
Chartered Accountants
FRN : 101871W

For CPS Shapers Pvt Ltd.

Sd/-
R I. Choksey
M.No. 31169

Sd/-
Rajendra Kumar
(DIN:03513800)
Director

Sd/-
Abhishek Kumar
(DIN:03513668)
Director

Place : Mumbai
Date : 19th December 2020

Place : Mumbai
Date : 19th December 2020

CPS SHAPERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year Ended 31-03-20	Year Ended 31-03-19
A Cash flow from operating activities:		
Net profit before tax	(17,149,072)	(25,742,450)
Adjustments:		
Depreciation & Amortisation	3,538,720	3,642,750
Interest Income	-	-
Finance cost	10,051,431	7,827,687
Provision for Gratuity	-	-
(Profit)/Loss on sale of assets	(342,908)	-
Interest on Income Tax Paid	-	-
(Profit) /Loss on sale of investments	-	-
	<u>13,247,245</u>	<u>11,470,437</u>
Operating cash flow before working capital changes	(3,901,827)	(14,272,013)
Movement in working capital		
I Adjustments for (Increase)/decrease in operating assets :		
Trade receivables	3,871,870	13,818,704
Inventories	3,460,632	(5,164,150)
Short-term loans & advance	(223,936)	(2,227,378)
Other Current Assets	(382,600)	(131,033)
Non Current Assets	-	-
Long term loans & advance	3,939	(72,864)
II. Adjustments for (Increase)/decrease in operating liabilities :		
Trade payables	90,828	5,534,983
Other current liabilities	(5,691,274)	3,426,758
	<u>1,129,258</u>	<u>15,185,022</u>
Cash generated from operations	(2,772,569)	913,009
Net income taxes paid	-	-
Net cash (used In) / provided by operating activities (A)	<u>(2,772,569)</u>	<u>913,009</u>
B Cash flows from investing activities:		
Purchase of fixed assets & including intangible assets	(1,971,102)	(5,530,724)
Purchase of Current Investments	-	-
Proceeds from sale of fixed assets	432,280	-
Interest Received	-	-
Proceeds from sale / redemption of Investments	-	-
Net cash provided by / (used In) investing activities (B)	<u>(1,538,822)</u>	<u>(6,630,724)</u>
C Cash flows from Financing activities:		
Proceeds from issuance of share capital	-	-
Proceeds from Long Term Borrowings	13,205,010	9,407,455
Proceeds from/(Repayment) of Short Term Borrowings	1,992,808	2,189,225
Interest paid	(10,051,431)	(7,827,687)
Net cash flow from/ (used in) financing activities (C)	<u>5,146,388</u>	<u>3,768,993</u>
Net increase / (decrease) in cash & cash equivalents (A+B+C)	834,996	(648,722)
Cash & cash equivalents as at the beginning of the year	1,052,010	1,900,732
Cash & cash equivalents as at the end of the year	<u>1,887,006</u>	<u>1,052,010</u>
Notes to Cash Flow Statement		
1 Component of cash and cash equivalent :		
- Cash in hand	1,651,534	975,443
- Balance with Bank	235,471	76,567
	<u>1,887,006</u>	<u>1,052,010</u>

The accompanying notes form an integral part of the financial statement

As per our report of even date
 For R I Choksey & Co.
 Chartered Accountants
 FRN : 101871W

sd/-
 R I. Choksey
 M.No. 31189

Place : Mumbai Date : 19 December 2020

For CPS Shapers Private Limited

sd/- *sd/-*
 Rajendra Kumar Abhishek Kumar
 (DIN:03613800) (DIN:03613658)
 Director Director
 Place: Mumbai Date : 19 December 2020

C P S SHAPERS PVT. LTD.

Notes to financial statements for the year ended 31 March 2020

1. **Corporate Information**

C P S Shapers Private Limited (the Company) is a private company domicile in India and incorporated in the year 2012 under the provisions of the Companies Act, 1956. The registered office of the Company is located at 201-204 Swamini Industrial Estate III, Opp Varun Industries, Nanal Nagar, Vasai (East) - 401208 with factory at Vasai (Maharashtra) and Meerut (UP). The Company is in business of manufacture of compression garments products. The functional currency of the Company is Indian Rupees.

2. **Summary of Significant accounting policies**

Significant Accounting Policies adopted in the preparation and presentation of the accounts is as under:-

1. **Basic of preparation**

The Financial statements have been prepared on historical cost convention in accordance with the Generally Accepted Accounting Principles, the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent they are applicable to the Company and the provisions of the Companies Act, 2013.

2. **Presentation and disclosure of financial statement:**

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Operating Cycle:

Operating Cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

3. **Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

4. Going Concern:

The accumulated losses of the Company as at March 31, 2020 are 3,16,08,590/- (31.03.2020: 1,48,32,478/-) To cut down on costs, the Company has suspended its operations from Vasai facility w.e.f 01/04/2020 and is now carrying out all its operations from Meerut facility. Management has assessed and confirms that the Company will continue to be a going concern and hence, these financial statements have been prepared on going concern basis.

5. Valuation of Inventories:

- I. Inventories valued at lower of cost or Net Realizable Value.
- II. Cost of inventories have been computed to include all costs of purchases, cost of conversion, non recoverable duties and taxes and all other costs incurred in bring the inventory to their present location and condition.
- III. The basis of determining cost for various categories of Inventories is as follows :
 - a. Raw Materials: At lower of cost or market price; Cost is determined on First in, First out (FIFO) basis.
 - b. Work in progress: At direct cost of production including estimated amount of allocable expenditure.
 - c. Finished Goods: Valued at cost of raw materials, packing materials, appropriate share of fixed and variable production overheads and other costs incurred to bring the inventories to their present location and conditions. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Excise duty is considered as cost for finished goods wherever applicable.

6. Fixed Assets

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

Subsequent expenditures related to an item of fixed assets are added to its book value only if they increase the future benefits from the existing asset beyond its assessed standard of performance.

Intangible Assets are stated at acquisition cost, net of accumulated amortization and impairment losses, if any.

Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and Loss when the asset is disposed off.

7. Depreciation on tangible fixed assets:

The Depreciation has been provided on pro-rata basis on W.D.V method charged over their useful lives as prescribed in Schedule II of the Companies Act, 2013. the depreciation has been provided using following estimated useful lives:

Assets	Estimated useful lives
Plant & Equipments	15 years
Furniture & Fixtures	10 years
Factory Premises (Owned)	30 years
Office Equipment	05 years
Computers	
End User Eq.(i.e Labtop, PC)	03 years
Server & Network	06 years
Motor Vehicles	08 cars

8. Intangible Assets:

Software

Expenditure incurred for acquiring intangible assets like software, from which economic benefits will flow over a period of time, is capitalized and amortised on a straight-basis over a period of five years being the estimated use useful life of software.

9. Impairment of Assets

This is eight year of operation. The Management evaluates at regular intervals, whether there is any impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined.

10. Revenue Recognition:

The company follows the accrual method of accounting and all claims, receivables and liabilities are provided on that basis. All revenue is recognized on accrual basis except non-recurring income is accounted otherwise. The accrued incomes which are of a very doubtful nature or uncertain of realization are not accounted.

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods are passed to the buyer. Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and can be reliably measured.

Sales are recorded net of trade discounts, rebates & incentives but are inclusive of cash discounts, which is accounted as an expense when debtors are realised as per scheme of Payment.

Income of the Company is derived from sale of products and is net of sales returns, trade discounts. Domestic sales are recognized on the basis of sale invoices raised on dispatch / physical delivery of goods sold. Export sales are accounted on the basis of Bill of Lading. Sale of scrap is accounted on realization.

Interest incomes/expenses are recognized using the time proportion method based on the rates implicit in the transaction.

Export Benefits are accounted for on actual credit earned during the period.

11. Foreign Currency Transactions

1. The reporting currency of the Company is Indian Rupee. Transaction in foreign currency are initially recorded in the reporting currency at the exchange rate prevailing on the date of transaction, and charged or credited to revenue with the difference in the rate of exchange arising on actual receipt/payment during the year.

2. At each Balance Sheet date Outstanding in foreign currency monetary items are reported using the rate of exchange on that date.

12. Investments:

Trade Investments are the Investments made to enhance the company's business interest. Investments are either classified as current or long-term, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other Investments are classified as long-term investments. Current Investments are carried at lower of cost and fair value determined on individual investment basis. Long-term Investments are carried at cost. However provision for diminution in value is made to recognize a decline other than temporary in the value of investments. Profit or loss on sale of investments is determined on a first-in, first-out (FIFO) basis.

13. Employees Benefits:**Short-term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as Salaries, wages, bonus and short term compensated absence etc. are recognized in Statement of Profit and Loss in the period in which the employee renders the related service.

Long-term Employee Benefits**Defined Contribution Plans**

Defined contribution plans are Employees State Insurance Scheme and Government administered Employees Provident Fund for eligible employees. The Company's payments to the defined contribution plans are reported as expenses during the period in which they relate. The Company has no further obligation for future provident fund other than its annual contribution.

Defined Benefit Plans**Gratuity**

The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equal to 15 days salary payable for each completed year of service. During the year Company has not complied with Accounting Standards (AS) 15 on Employees Benefits. The Company has not obtained the actuarial valuation report & has not provided for Gratuity (defined benefit scheme). The scheme is yet to be funded with a qualifying insurance policy from a Insurance Company.

14. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset is capitalized as part of the cost of that assets till the assets are put to use. Other borrowing costs are recognized as an expense for the period.

15. Related Party Transactions

Refer note no. 28 of notes to accounts

16. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributed to equity share holder by the weighted average number of shares outstanding during the period.

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

17. Taxation :

Tax expense for the year, comprising Current tax, & deferred tax are included in determining the net profit /loss for the year.

Current tax is determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions.

Deferred tax assets and liabilities are recognized, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the reporting date. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

As per our Report of Even Date

For R.I.CHOKSEY & CO.
Chartered Accountants
FRN : 101871W

ON BEHALF OF THE BOARD
FOR C P S SIAPERS PVT LTD

Sd/-

R.I. Choksey
M.No.31169

Sd/-

Rajendra Kumar
Director

Sd/-

Abhishek Kumar
Director

Place: Mumbai

Place: Mumbai

Date: 19 December, 2020

Date: 19 December, 2020

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

	31-Mar-20 ₹	31-Mar-19 ₹
3 Share Capital		
Authorised Share Capital		
500,000 Equity Shares of ₹ 10/- each (31 March 2019 : 5,000,000)	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>
Issued, Subscribed & Fully Paid up Shares		
500,000 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 5,000,000)	5,000,000	5,000,000
	<u>5,000,000</u>	<u>5,000,000</u>

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	31-Mar-20		31-Mar-19	
	No.	₹	No.	₹
At the beginning of the period	500,000	5,000,000	500,000	5,000,000
Issued during the period - Cash	-	-	-	-
Issued during the period - Bonus issue	-	-	-	-
Issued during the period - ESOP	-	-	-	-
Outstanding at the end of the period	<u>500,000</u>	<u>5,000,000</u>	<u>500,000</u>	<u>5,000,000</u>

b Terms/rights attached to equity shares

Each holder of equity shares is entitled to one vote per share. The company declares and pays (if any) dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend

c Details of shareholder's holding more than 5% shares in the company

	31-Mar-20 ₹	31-Mar-19 ₹
Mr. Rajendra Kumar 160,000 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 160,000 Equity Shares)	1,600,000	1,600,000
Mr. Abhishek Kamal Kumar 130,000 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 130,000 Equity Shares)	1,300,000	1,300,000
Mrs. Kamlesh Kumar 79,900 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 79,900 Equity Shares)	799,000	799,000
Dayal Hosiere Pvt Ltd 80,000 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 80,000 Equity Shares)	800,000	800,000
C P & S Orthotics Pvt Ltd 50,000 Equity Shares of ₹ 10/- each Fully Paid up (31 March 2019 : 50,000 Equity Shares)	500,000	500,000

4 Reserves and Surplus

	31-Mar-20 ₹	31-Mar-19 ₹
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(14,832,478)	10,826,352
Profit/(Loss) for the year	(16,776,112)	(25,658,830)
<u>Less : Appropriation</u>		
Net surplus in the statement of profit and loss	<u>(31,608,590)</u>	<u>(14,832,478)</u>
Total reserve and surplus	<u>(31,608,590)</u>	<u>(14,832,478)</u>

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

5 Long-term Borrowings

	Non-current portion		Current maturities	
	31-Mar-20 ₹	31-Mar-19 ₹	31-Mar-20 ₹	31-Mar-19 ₹
Term loans				
Indian rupee loan from banks (secured)	2,742,339	3,105,385	378,111	876,013
From financial institutions (secured)				
Other Loans & Advances				
From financial institutions (unsecured)	6,205,521	2,011,800	1,528,357	-
From Banks	3,245,516	1,694,524	4,478,875	3,387,690
From Directors	14,330,000	12,830,000	-	-
From Members	3,500,000	3,500,000	-	-
Inter Corporate Deposits	395,814	455,814	-	-
Deposit from Distributors	7,925,000	7,925,000	-	-
	<u>38,344,190</u>	<u>31,522,523</u>	<u>6,383,343</u>	<u>4,043,703</u>
The above amount includes				
Secured borrowings	2,742,339	3,105,385	378,111	876,013
Unsecured borrowings	35,601,851	28,417,138	6,007,232	3,387,690
Amount disclosed under the head "other current liabilities" (note no. 9)				

- A** Loans from Bank is secured by hypothecation of vehicles purchased under hire purchase agreement. These loans are originally repayable in equal monthly instalments having repayment term of 48-60 months @ 9.50% to 10.65%
- B** Term Loan from IDBI Bank is secured by Meerut Factory Premises. This loan is originally repayable in EMI having repayment term of 60 months @ 12.50%
- C** Personal & Small Business Loans from Financial Institution /Banks are taken during the financial year and carries interest from 16.25% to 18.88%. The Loan is originally repayable in 24-36 months varying instalments along with interest. The Loan has been guaranteed by the personal guarantee of the managing director of the company.

6 Deferred Tax Assets (Net)

	31-Mar-20 ₹	31-Mar-19 ₹
Deferred tax liability		
1 On account of timing difference in depreciable assets as per last financial statement for Current Year	-	-
Deferred tax asset		
1 on account of expenditure charged to the statement of profit & loss but allowed for tax purpose on payment basis as per last financial statement for Current Year	-	77,826 (77,826)
2 On account of timing difference in depreciable assets as per last financial statement for Current Year	648,742 430,818	498,572 152,170
	<u>1,079,560</u>	<u>648,742</u>
3 on account of provision of gratuity as per last financial statement Restated in Current Year	981,552 -	952,276 9,276
	<u>981,552</u>	<u>961,552</u>
3 on account of Unabsorbed Loss C/I as per last financial statement for Current Year	57,858 (57,858)	57,858
	<u>-</u>	<u>57,858</u>
	<u>2,041,112</u>	<u>1,668,152</u>
Deferred Tax - (Liability)/Assets - Net	<u>2,041,112</u>	<u>1,668,152</u>

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

7 Provisions

	Long-term		Short-term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	₹	₹	₹	₹
Provision for employees benefits				
- Gratuity (Refer Note No.29)	3,698,161	3,698,161	-	-
	<u>3,698,161</u>	<u>3,698,161</u>	-	-
Other provisions				
Provision for Taxation		-	278,221	278,221
Provision for Excise duty on FG		-		
			<u>278,221</u>	<u>278,221</u>
	<u>3,698,161</u>	<u>3,698,161</u>	<u>278,221</u>	<u>278,221</u>

Provision for litigation :**Income Tax**

On 21 03 2016 the Income Tax Department raised a demand of Rs.344,600/- with interest for AY 2013-14, being addition u/s 68 of unsecured loan. The Company has filed an appeal and is likely to succeed.

No provision has been created toward this liability in the books. However entire demand has been recovered by Income Tax Dept from subsequent year's refund.

Two more appeals viz AY 2017-18 & AY 2018-19 has been filed by the Company being addition u/s 36 and non grant of deduction u/s 80JJA. The same is pending before CIT(A). No provision has been made against the same.

8 Short-term Borrowings

	31-Mar-20	31-Mar-19
	₹	₹
Cash credit from banks (Secured) (refer note(a) below)	48,264,880	46,272,072
	<u>48,264,880</u>	<u>46,272,072</u>
The above amount includes		
Secured borrowings	48,264,880	46,272,072
Unsecured borrowings		

(a) Cash credit from banks is secured against hypothecation of property of Associate Enterprises and of Director and stocks & book debts of the Company. The credit facility is renewed on year to year basis & repayable on demand and carries interest @11.95% (prevailing rate)

9 Current liabilities

	31-Mar-20	31-Mar-19
	₹	₹
Trade Payable (including acceptance) ***	28,185,119	28,094,290
Other current liabilities		
Current maturities of long-term borrowings (note no. 5)	6,383,343	4,043,703
Others		
TDS Payable	208,818	242,587
ESIC Payable	78,241	172,246
Profession Tax Payable	11,075	17,725
Provident Fund Payable	311,155	422,917
GST Payable	-	142,209
Employee Benefits Payable	2,354,006	3,825,362
Creditors for Fixed Assets	669,860	469,260
Interest free deposits from customers	1,341	1,341
	<u>10,017,839</u>	<u>9,337,350</u>
	<u>38,202,958</u>	<u>37,431,641</u>

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

10 Tangible Assets

	Factory Land	Plant and equipment	Furniture & Fixtures	Buildings	Office Equipments	Computers	Vehicles	Capital W-I-P	Total
Cost or valuation									
At 1 April 2018	6,311,220	8,730,104	4,531,291	8,482,715	2,485,178	1,652,519	4,022,635	785,281	37,101,143
Additions		1,852,655	238,715	3,580,694	332,680	136,261		2,795,413	8,936,418
Disposal								3,580,694	3,580,694
At 31 March 2019	6,311,220	10,582,759	4,870,006	12,063,409	2,817,858	1,788,780	4,022,635	-	42,458,857
Additions		589,879	54,898		174,923	12,500	485,232		1,317,030
Disposal							713,288		713,288
At 31 March 2020	6,311,220	11,172,638	4,924,902	12,063,409	2,992,781	1,801,280	3,794,781	-	43,060,511
Accumulated depreciation									
At 1 April 2018	-	4,118,634	3,077,710	2,712,581	2,020,999	1,450,837	1,897,734	-	15,278,495
Charge for the year	-	1,053,109	451,998	578,047	290,268	173,184	665,753	-	3,210,357
Eliminated on disposal of assets	-								-
Impairment loss	-								-
At 31 March 2019	-	5,171,743	3,529,708	3,288,628	2,311,267	1,624,021	2,563,487	-	18,488,852
Charge for the year	-	1,008,787	362,180	833,687	263,922	97,741	498,596	-	3,084,913
Eliminated on disposal of assets	-						623,912	-	623,912
Impairment loss	-							-	-
At 31 March 2020	-	6,180,530	3,891,886	4,122,315	2,575,189	1,721,762	2,438,171	-	20,929,853
Carrying amount									
At 31 March 2019	6,311,220	5,411,016	1,340,300	8,774,781	506,591	164,759	1,459,348	-	23,968,015
At 31 March 2020	6,311,220	4,991,908	1,032,816	7,941,094	417,592	78,518	1,356,610	-	22,130,758

Vehicles includes vehicles taken on finance lease

Gross block ₹ 1,942,473/- (31 March 2019 : ₹ 1,942,473/-)

Depreciation charge for the year ₹ 218,610/- (31 March 2019 : ₹ 318,334/-)

Accumulated depreciation ₹ 1,463,250/- (31 March 2019 : ₹ 1,244,640/-)

Net book value ₹ 479,223/- (31 March 2019 : ₹ 697,833/-)

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

11 Intangible Assets

	₹		
	Goodwill	Computer Software	Total
Cost or valuation			
At 1 April 2018	-	2,134,705	2,134,705
Additions	-	175,000	175,000
Disposal	-	-	-
At 31 March 2019	-	2,309,705	2,309,705
Additions		654,072.0	654,072
Disposal		-	-
At 31 March 2020	-	2,963,777	2,963,777
Amortisation			
At 1 April 2018	-	1,352,611	1,352,611
Charge for the year	-	432,393	432,393
Eliminated on disposal of assets	-	-	-
Impairment loss	-	-	-
At 31 March 2019	-	1,785,004	1,785,004
Charge for the year		473,807	473,807
Eliminated on disposal of assets		-	-
Impairment loss		-	-
At 31 March 2020	-	2,258,811	2,258,811
Carrying amount			
At 31 March 2019	-	524,701	524,701
At 31 March 2020	-	704,966	704,966

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

12 Loans and Advances

	Non-current		Current	
	31-Mar-20 ₹	31-Mar-19 ₹	31-Mar-20 ₹	31-Mar-19 ₹
Capital Advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
(A)	-	-	-	-
Security Deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	71,040	71,040
Doubtful	-	-	-	-
(B)	-	-	71,040	71,040
Loan and advances to related parties				
Unsecured, considered good	-	-	-	-
(C)	-	-	-	-
Advances recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful advances	-	-	-	-
(D)	-	-	-	-
Other Loans and advances				
Prepaid expenses	68,925	72,864	240,544	387,286
Loans to employees	-	-	317,391	807,681
Prepaid Taxes	-	-	1,152,000	1,152,000
Advance to Suppliers	-	-	640,000	515,000
Input Tax Credit (GST)	-	-	2,339,268	1,614,880
Balance with statutory/government authorities	-	-	-	-
Others	-	-	200,759	200,759
(E)	68,925	72,864	4,889,962	4,677,606
Total (A+B+C+D+E)	68,925	72,864	4,961,002	4,748,646

CP5 SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

13 Trade Receivables and other assets

13.1 Trade receivables

	Non-current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	₹	₹	₹	₹
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date on which they are due for payment				
Secured, considered good		-		-
Unsecured, considered good		-		-
Doubtful		-		-
	-	-	-	-
Provision for doubtful receivables	-	-	-	-
(A)	-	-	-	-
Other receivables				
Secured, considered good		-		-
Unsecured, considered good			12,097,312	15,968,982
Doubtful		-		-
	-	-	12,097,312	15,968,982
Provision for doubtful receivables		-		-
(B)	-	-	12,097,312	15,968,982
Total (A+B)	-	-	12,097,312	15,968,982

Trade receivables includes :

	Non-current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	₹	₹	₹	₹
Dues from non executive directors & others				
	-	-	-	-
	-	-	-	-

13.2 Other assets

	Non-current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	₹	₹	₹	₹
Unsecured, considered good unless stated otherwise				
		-	551,508	168,908
(A)	-	-	551,508	168,908
Unamortized expenditure				
	-	-	-	-
(B)	-	-	-	-
Others				
Interest accrued on fixed deposits		-		-
Others		-		-
(C)	-	-	-	-
Total (A+B+C)	-	-	551,508	168,908

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

17 Revenue from operations

	31-Mar-20 ₹	31-Mar-19 ₹
Revenue from operations		
Sale of Products - Domestic	155,255,092	145,452,070
- Export	-	-
A	<u>155,255,092</u>	<u>145,452,070</u>
Other Operating Revenue		
Process Waste Sale	-	-
B	<u>-</u>	<u>-</u>
Revenue from operations (Gross)	<u>A+B</u>	<u>145,452,070</u>

18 Other Income

	31-Mar-20 ₹	31-Mar-19 ₹
Profit on Sale of Assets	342,906	-
Discount Received	3,180	21,037
Amounts no more payable	13,705	304,057
Miscellaneous Income	8,023	5,649
	<u>367,813</u>	<u>330,743</u>

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

19	Cost of material consumed	31-Mar-20	31-Mar-19
		₹	₹
	Inventory at the beginning of the year	26,752,113	13,217,007
	Add : Purchases	<u>66,663,340</u>	<u>79,168,182</u>
		93,415,452	92,385,189
	Less : Inventory at the end of the year	<u>13,885,839</u>	<u>26,752,113</u>
	Cost of material Consumed	<u><u>79,529,613</u></u>	<u><u>65,633,078</u></u>

20	(Increase)/decrease In Inventories	31-Mar-20	31-Mar-19	(Incr)/Decr
		₹	₹	₹
	Inventories at the end of the year			31-Mar-20
	Work-in-Progress /Semi Finished	21,105,084	17,868,553	(3,236,531)
	Finished Goods	22,746,308	16,577,197	(6,169,111)
		<u>43,851,392</u>	<u>34,445,750</u>	<u>(9,405,642)</u>
	Inventories at the beginning of the year			31-Mar-19
	Work-in-Progress /Semi Finished	17,868,553	26,601,810	8,733,257
	Fininshed Goods	16,577,197	16,214,896	(362,301)
		<u>34,445,750</u>	<u>42,816,706</u>	<u>8,370,956</u>
		<u><u>(9,405,642)</u></u>	<u><u>8,370,956</u></u>	

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

21	Employees Benefit Expenses	31-Mar-20	31-Mar-19
		₹	₹
	Salaries, wages and bonus	47,363,396	43,182,514
	Leave Salary	(7,729)	875,824
	Managerial Remuneration	4,440,000	4,440,000
	Contribution to Provident & Other fund (Refer note no. 29)	3,635,934	3,818,961
	Incentives Paid	446,485	720,585
	Gratuity expense (refer note no.29)	-	-
	Staff - Transport Facilities	-	327,000
	Staff welfare expenses	1,856,362	1,477,150
		57,734,448	54,842,034
22	Depreciation and Amortization Expenses	31-Mar-20	31-Mar-19
		₹	₹
	Depreciation on tangible assets	3,064,913	3,210,357
	Amortization on intangible assets	473,807	432,393
		3,538,720	3,642,750
23	Finance Cost	31-Mar-20	31-Mar-19
		₹	₹
	Interest on Bank CC/OD	5,917,494	5,322,974
	Bank Charges	307,587	282,356
	Deposits	2,742,804	1,635,999
	Interest on Term Loan (Bank)	354,384	136,325
	Interest on Term Loan (Bajaj)	362,124	184,578
	Interest on Car Loan	69,200	102,025
	Interest on TDS/Sales Tax/Service Tax/GST	26,238	7,449
	Processing Fees	271,600	155,982
		10,051,431	7,827,687
24	Other Expenses	31-Mar-20	31-Mar-19
		₹	₹
	Power and fuel	2,691,499	2,249,376
	Rent	277,960	308,381
	Insurance	459,961	405,476
	Factory Expenses	828,062	1,606,883
	Repairs and maintenance	1,319,809	1,538,277
	Advertisement & Sales Promotion	3,252,323	7,336,489
	Travelling and conveyance	3,752,974	4,002,193
	Communication costs	574,491	479,414
	Printing & Stationery	302,071	201,592
	Postage & Courier	1,506,701	1,478,664
	Discount Allowed	3,704,058	3,798,599
	Commission & Other Expenses (online Sales)	7,950,307	3,157,039
	Delivery Related Expenses	2,068,649	1,587,663
	Membership & Subscription	180,702	179,992
	Security Charges	372,101	510,677
	Vehicle Expenses	486,407	467,937
	Rates & Taxes	409,703	486,923
	Legal and professional fees	440,719	637,050
	Payment to auditor (Refer details below)	497,000	397,600
	Miscellaneous expenses	247,907	398,534
		31,323,407	31,208,759
	Payment to auditor	31-Mar-20	31-Mar-19
		₹	₹
	As auditor :		
	Audit fee	200,000	200,000
	In other capacity		
	Taxation Matters	272,500	175,000
	Company Law Matters	24,500	19,000
	Other Matter	-	-
	Reimbursement of Expenses	-	3,800
		497,000	397,600

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

25 Micro, Small and Medium Scale business entities :

In the absence of necessary information with the Company as to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the information required under the said act could not be compiled and disclosed. The Company has not received information from vendors regarding their status under the MSMED Act.

26 Tax Expenses :

Tax Expenses is the aggregate of current year income tax and deferred tax charged to the Statement of Profit & Loss for the year

Current Tax :

(a) Income Tax Provision of Rs. NIL- has been made on regular income. (31.03.2019 Rs. NIL)

(b) Deferred Tax :

The Company estimates the deferred tax charge using the applicable tax rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. For the current year net Deferred tax of Rs.372,960/- (31.03.2019 Rs.83,620/-) has been credited to current year's Statement of Profit & Loss

Particulars	31-03-20	31-03-19
Deferred Tax Liabilities		
on account of :		
(1) Depreciation	-	-
Total	-	-
Deferred Tax Assets		
(1) Depreciation	1,079,560	648,742
(2) Other 43B disallowances	-	-
(3) Provision for Gratuity	961,552	961,552
(4) Unabsorbed Loss C/I	-	57,858
Total	2,041,112	1,668,152
Deferred tax charged/credit for the year is as follow :		
Opening Deferred Tax Liabilities	-	-
Less : Closing Deferred Tax Liabilities	-	-
Deferred tax charged/(credit)	-	-
Opening Deferred Tax Assets	1,668,152	1,584,532
Less : Closing Deferred Tax Assets	2,041,112	1,668,152
Deferred tax charged/(credit)	(372,960)	(83,620)

27 Earning Per Share (EPS) :

Earnings per share is calculated by dividing the profit attributed to the equity shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earnings are stated below :

	31-03-20	31-03-19
	₹	₹
Profit after tax for the year	(16,776,112)	(25,658,830)
Weightage Average Number of Equity Shares	500,000	500,000
Basic Earning Per Share (INR)	(33.55)	(51.32)
Diluted Earning Per Share (INR)	(33.55)	(51.32)
Face Value of Equity Shares (Rs. 10/-)		

CPS SHAPERS PRIVATE LIMITED

Notes to financial statements for the year ended 31st March 2020

28 Related Party Disclosures :**Transactions with Related Party (as identified and certified by the Management)****1 Key managerial personnel :**

Mr Rajendra Kumar	Director
Mr Abhishek Kumar	Director
Mr Sunil Kumar Jain	Director

2 Promoters and their Relatives having control

Mr Rajendra Kumar	Director
Mr Abhishek Kumar	Director
Mrs Kamlesh Kumar	

3 Relatives of promoters who are under the employment of the company

Mrs Bhawna Kumar
Mrs Kamlesh Kumar

4 Companies over which the Directors have significant influence or control

Dayal Hosiery Pvt Ltd
CP&S Orthotics Pvt Ltd

5 Other entities over which there is a significant control

CP&S Orthotics Inc (Partnership Firm)

6 Disclosure of Transactions between the group and related parties :

Sr No	Name of party	Relation	Nature of Transaction	Volume of transactions during		Amount Outstanding as on	
				2020	2019	31-Mar-20	31-Mar-19
1	Dayal Hosiery Pvt Ltd	Associates	Loan Received/(Repaid)	(60,000)	39,186	225,814	285,814
2	CP&S Orthotics Pvt Ltd	Associates	Loan Received	-	-	170,000	170,000
3	Rajendra Kumar	Director	Managerial Remuneration	2,040,000	2,040,000	433,287	575,193
4	Rajendra Kumar	Director	Loan (Repaid)/Received	1,500,000	-	3,580,000	2,080,000
5	Abhishek Kumar	Director	Managerial Remuneration	2,040,000	2,040,000	607,749	121,279
6	Abhishek Kumar	Director	Loan Repaid/(Received)	-	310,000	350,000	350,000
7	Abhishek Kumar (New)	Director	Loan Repaid/(Received)	-	(4,400,000)	4,400,000	4,400,000
8	Abhishek Kumar	Director	Interest Paid	396,000	220,000	358,400	198,000
9	Kamlesh Kumar	Directors Wife	Remuneration	840,000	840,000	567,205	377,510
10	Bhawana Kumar	Directors Wife	Remuneration	840,000	840,000	415,562	279,592
11	Sunil Kumar Jain	Director	Remuneration	360,000	360,000	90,000	90,000
12	Sunil Kumar Jain	Director	Interest Paid	540,000	540,000	121,500	121,500
13	Sunil Kumar Jain	Director	Loan Received	-	-	6,000,000	6,000,000
14	Sunil Kumar Jain	Director	Purchase of Goods	28,998,654	48,950,565	13,451,873	12,860,724
15	Suman Knit Craft	Directors Wife	Purchase of Goods	-	1,917,827	-	878,589
16	Vallabh Hosiery Udyog	Directors Son	Purchase of Goods	-	3,179,888	-	597,449
17	CP&S Orthotics Inc	Associates	Rent Paid	-	-	57,021	57,021
18	CP&S Orthotics Inc	Associates	Purchase of Goods	-	-	48,010	48,010

30 Transactions in foreign currency

Particulars	31-Mar-2020 ₹ (in '000)	31-Mar-2019 ₹ (in '000)
a) Earnings in foreign currency (on accrual basis)		
Export of goods calculated on Free on Board (FOB) Basis	-	-
	-	-
b) Value of Imports on Cost, Insurance and Freight("CIF") basis Raw Material & Advertising Material	637,369	2,120,395
	637,369	2,120,395

31 Prior Period Items :

	31-Mar-2020 ₹ (in '000)	31-Mar-2019 ₹ (in '000)
1	-	-
2	-	-

31 Covid -19 :

The Indian Government in view of Covid-19 has taken a series of measures to contain the outbreak, which included imposing multiple lockdowns across the country, from March 25, 2020. In line with the nation-wide lockdown, the Government of Maharashtra, issued a directive that all non-essential services/private sectors should immediately adopt a 'work from home' policy and refrain from attending office. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges to various businesses. In light of these circumstances, the Company has considered the possible risk on its capital and financial resources profitability, liquidity position, the recoverability of carrying values of its assets, ability to service debt and other financing arrangement. After considering all factors on its business, the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. Owing to the above factors, no material adjustments are required to be made w.r.t. impact of COVID-19 on the Company's financial statements. However, the Company will continue to closely monitor any material changes to future economic conditions.

33 General :

GST Input Tax Credit shown in Financial Statements is subject to verification / reconciliation, (if any)

34 Previous year's figures :

Previous year's figure have been regrouped / rearranged / recast whenever necessary so as to make them comparable with current year's whenever necessary

For R I Choksey & Co.
Chartered Accountants
FRN : 101871W

For CPS Shapers Pvt. Ltd.

sd/-

R I. Choksey
M.No. 31169

Place : Mumbai

Date : 19th December 2020

sd/-

Rajendra Kumar
(DIN:03513800)
Director

Place Mumbai

Date : 19th December 2020

sd/-

Abhishek Kum
(DIN:03513888)
Director

CPS Shapers Private Limited

Annexures Forming Part of 3CD for The Period Ended on 31 March 2020

Annexure 12 :

Significant Accounting Policies adopted and Disclosure as per ICDS:

1. ICDS-I- Accounting Policies:

The Company has disclosed all the significant accounting policies adopted for computing the income under the head "Profits and Gains of Business/Profession" and under the head "Income from other Sources" as per Income Computation and Disclosure Standards(ICDS). The said policies have been disclosed at point no. (2) to point no. (6) below.

2. ICDS-II- Inventory Valuation

Inventories are valued at lower of landed cost or net realizable value. Inventories are exclusive of duties & taxes. However there is no effect on profit, refer to clause 14(b) of Form 3CD.

Classification of Inventory & its carrying Amount ¹

Particulars	Carrying Amount ²
Raw Materials	1,38,85,839
Stock in Process / Semi Finished Goods	2,11,05,084
Finished Goods	2,27,46,308

¹ Refer Note no. 2 clause 4 for accounting policy on valuation of inventory.

² In terms of Section 145A of the Act, the valuation of inventory is to be adjusted to include the amount of any tax, duty, cess or fees actually paid or incurred by the assessee to bring the goods to the place of its location and condition as on the date of valuation. Such adjustments are reflected in Clause 14(b) of Form 3CD. However, it may be noted that such adjustments, as explained in Clause 14(b), have no impact on the profit or loss for the previous year. Accordingly, the carrying amounts of inventories as reflected in the financial statement have been disclosed.

3. ICDS-IV- Revenue Recognition:

The Company recognizes revenue only if the same has accrued or arisen in the previous year relevant to the assessment year as contemplated under section 5 of the Income Tax Act, 1961.

Revenue is recognized as follows:

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

Interest income is recognised on the basis of the amount outstanding and the rate applicable as per the contractual terms and conditions.

4. ICDS-V- Tangible Fixed Assets:

Fixed Assets:

The fixed assets are recorded at cost of acquisition/construction less accumulated depreciation. The cost comprises of the purchase price net of taxes recoverable, rebates & discounts and any directly attributable cost of making the assets ready for its intended use.

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Improvements and repairs are capitalised only if it increases the previously assessed performance of the asset. The sale proceeds on disposal or sale of such asset is reduced while computing the depreciation for the relevant previous year.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation:

The company claims depreciation on tangible fixed assets from the date the asset is put to use as per Section 32 of Income Tax Act, 1961 r.w. Rule 5 (1) of Income Tax Rules 1962. The depreciation on the assets acquired for less than 180 days have been claimed at half of the percentage specified under the Income Tax Rules, 1962.

5. ICDS-V- Foreign Currency Transactions

Foreign currency transactions are 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 transaction.

In respect of monetary items, exchange differences arising on the settlement thereof or on conversion thereof at last day of the previous year are recognized as income or as expense during the previous year

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.

6. ICDS-X- Provisions, Contingent Liabilities & Contingent Assets:

Provisions:

The Company makes provision for a liability when it has a present obligation as a result of past events; it is reasonably certain that an outflow of the resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

**FOR R I CHOKSEY & CO
(Chartered Accountants)
FRN. 101871W**

Sd/

**R. I. CHOKSEY
Membership No. 031169**

**Place : Mumbai
Date : 19 February, 2021.**



C P S Shapers Pvt. Ltd.

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Email: customercare@dermawear.co.in | www.dermawear.co.in

CIN. U18109MH2012PTC231749

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE MEMBERS AT ANNUAL
GENERAL MEETING HELD ON 31ST DECEMBER, 2020.**

APPOINTMENT OF AUDITORS

"RESOLVED that M/S. R. I. CHOKSEY & CO., Chartered Accountants (FRN 101871W) be and they are hereby re-appointed as Statutory Auditor of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors of the Company."

For CPS Shapers Pvt Ltd

Mr. Abhishek Kamal Kumar
Director
DIN:003513668

Shareholding Pattern of CPS SHAPERS PRIVATE LIMITED as on 31st March 2020

Sr.No.	Name of Shareholder	Folio No.	Dp ID/ Client ID	No. of Shares	Face Value	Class of Shares	Percentage of Shareholding
1	Rajendra Kumar	01		1,60,000	10	Equity	32.00
2	Abhishek Kamal Kumar	02		1,30,000	10	Equity	26.00
3	Kamalesh Kumar	03		79,900	10	Equity	16.00
4	Dayal Hosiery Private Limited	04		80,000	10	Equity	16.00
5	C P & S Orthotics Private Limited	05		50,000	10	Equity	10.00
6	Amit Kaushik	06		100	10	Equity	00.02

List of Debentures Holders of CPS SHAPERS PRIVATE LIMITED as on 31st March 2020

Sr. No.	Name of Debentures Holders	Ref. No.	No. of Debentures	Face Value	Type of Debentures	Total Amount of Debentures

NIL

FOR CPS SHAPERS PRIVATE LIMITED


Abhishek Kumar
(DIN:03513668)
Director