

**Hemla Embroidery Mills Pvt Ltd**  
[CIN: U74999HR1958PTC002248]  
**Regd. Office:** 14/6, Hemla Nagar, Mathura Road,  
Faridabad-121 003, Haryana  
**E-mail:** [accounts@hemlaembroidery.com](mailto:accounts@hemlaembroidery.com)  
**Website:** [www.hemlaembroidery.com](http://www.hemlaembroidery.com)

**Meeting of Secured Creditors of Hemla Embroidery Mills Pvt Ltd scheduled to be held through Video Conferencing under the supervision of the Hon'ble National Company Law Tribunal**

<b>Day</b>	Thursday
<b>Date</b>	13 <sup>th</sup> June, 2024
<b>Time</b>	2:00 P.M.
<b>Venue</b>	Since the meeting is proposed to be held through Video Conferencing, physical venue of the meeting is not relevant/applicable

**Schedule of remote e-voting, before the date of meeting**

<b>Commencement of remote e-voting</b>	Monday, 10 <sup>th</sup> June, 2024 at 9:00 A.M. IST
<b>End of remote e-voting</b>	Wednesday, 12 <sup>th</sup> June, 2024 at 5:00 P.M. IST

**List of Documents**

<b>Sl. No.</b>	<b>Contents</b>
<b>1.</b>	<b>Notice of the Meeting</b> along with Instructions for attending the Meeting through Video Conferencing; and for Voting through remote e-voting system
<b>2.</b>	<b>Explanatory Statement</b>
<b>3.</b>	<b>Scheme of Arrangement</b> of Pee Empro Exports Pvt Ltd (Demerged Company) and Hemla Embroidery Mills Pvt Ltd (Resulting Company)
<b>4.</b>	<b>Report on Valuation of Shares &amp; Share Exchange Ratio</b> issued by Ms Mallika Goel, IBBI Registered Valuer in respect of Securities or Financial Assets
<b>5.</b>	<b>Audited Financial Statements</b> for the year ended 31 <sup>st</sup> March, 2023, of the Demerged Company and the Resulting Company
<b>6.</b>	<b>Un-audited Financial Statements (provisional)</b> for the period ended 30 <sup>th</sup> September, 2023, of the Demerged Company and the Resulting Company
<b>7.</b>	<b>Un-audited Financial Statements (provisional)</b> for the period ended 31 <sup>st</sup> December, 2023, of the Demerged Company and the Resulting Company

**In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:**

<b>Mr Sharwan Mangla</b> General Manager Mas Services Ltd	011 26387281-83 <a href="mailto:sm@masserv.com">sm@masserv.com</a>
<b>Mr Dinesh Kumar</b> Accounts Manager Hemla Embroidery Mills Pvt Ltd	9810327323 <a href="mailto:accounts@hemlaembroidery.com">accounts@hemlaembroidery.com</a>

Sd/-  
**Ajay Garg, Advocate**  
Chairperson of the meeting

Through

Sd/-  
Kartikeya Goel, Advocate  
**For Rajeev Goel & Associates**  
Counsel for the Applicants  
785, Pocket-E, Mayur Vihar-II  
Delhi-Meerut Expressway/NH-9  
Delhi 110 091  
e-mail: [rajeev391@gmail.com](mailto:rajeev391@gmail.com)  
Website: [www.rgalegal.in](http://www.rgalegal.in)

**Date:** 07.05.2024  
**Place:** New Delhi



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHANDIGARH BENCH-I, CHANDIGARH

(ORIGINAL JURISDICTION)

COMPANY APPLICATION NO. CA (CAA) 09/CHD/HRY OF 2024

IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

AND

IN THE MATTER OF

PEE EMPRO EXPORTS PVT LTD

APPLICANT NO. 1/DEMERGED COMPANY

AND

HEMLA EMBROIDERY MILLS PVT LTD

APPLICANT NO. 2/RESULTING COMPANY

### **NOTICE CONVENING MEETING**

**To**  
**The Secured Creditors**  
**of Hemla Embroidery Mills Pvt Ltd**

**Take Notice** that the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh vide its Order dated 25<sup>th</sup> April, 2024 (date of pronouncement), inter alia, directed for convening of a meeting of Secured Creditors of Hemla Embroidery Mills Pvt Ltd through Video Conferencing for the purpose of considering and, if thought fit, approving, the proposed Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd, and other connected matters, if any. The following Special Business will be transacted in the said meeting:

To consider and, if thought fit, to pass, the following resolution with specific majority as provided under Sections 230 & 232 of the Companies Act, 2013 read with section 66 of the Companies Act, 2013, and other applicable provisions, if any:

***"Resolved that*** pursuant to the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, together with Section 2(19AA) of the Income Tax Act, 1961, and other applicable provisions, if any, and subject to the approval of the Hon'ble National Company Law Tribunal and other competent authorities, if any, consent of the meeting be and is hereby accorded for the proposed Demerger of 'Investment Business and other ancillary activities' (the Demerged Undertaking) of Pee Empro Exports Pvt Ltd (the Demerged Company) into Hemla Embroidery Mills Pvt Ltd (the Resulting Company).

***Resolved further that*** the Report on Valuation of Shares & Share Exchange Ratio issued by Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) as placed before the meeting, be and is hereby received, considered and taken on record.

***Resolved further that*** the Share Exchange Ratio as recommended by the IBBI Registered Valuer for the proposed Scheme of Arrangement, being fair and reasonable to the Shareholders and other stakeholders of both the Companies, be and is hereby considered, accepted and approved.

***Resolved further that*** the salient features/terms and conditions of the proposed Demerger, as set out in the draft Scheme of Arrangement placed before the meeting, which, inter-alia, include the following:

- i.*** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of Demerged Undertaking of Pee Empro Exports Pvt Ltd will be transferred to and vest in Hemla Embroidery Mills Pvt Ltd.
- ii.*** All the employees of the Demerged Company, employed in the activities relating to the Demerged Undertaking, in service on the Effective Date, shall become the employees of the Resulting Company on and from such date without any break or interruption in service and upon terms and conditions not less

*favorable than those applicable to them in the Demerged Undertaking of the Demerged Company, on the Effective Date.*

*iii. Appointed Date for the Scheme of Arrangement will be the same as the Effective Date, or such other date as may be mutually decided by the Board of Directors of the Demerged Company and the Resulting Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.*

*iv. Share Exchange Ratio for the Scheme will be as follows:*

- The Resulting Company-Hemla Embroidery Mills Pvt Ltd will issue 283 (two hundred and eighty-three) Equity Shares of ₹100 each, credited as fully paid up, to the Equity Shareholders of the Demerged Company for every 1000 (one thousand) Equity Shares of ₹100 each held in the Demerged Company-Pee Empro Exports Pvt Ltd.*

*Any fraction arising out of the aforesaid exchange process, if any, will be rounded off to nearest whole number.*

***Resolved further that*** subject to the approval of the Hon'ble National Company Law Tribunal and other Competent Authorities, if any, the Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd; and their respective Shareholders and Creditors, as circulated with the meeting papers, be and is hereby approved.

***Resolved further that*** the Board of Directors of the Company be and is hereby authorized to take necessary steps to obtain necessary approval(s) for the aforesaid Scheme and for effective implementation of the same, including but not limited to, to agree to such conditions or modifications [including the appointed date(s) and share exchange ratio, etc.,] that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme.”

**Take Further Notice** that in pursuance of the said order, a meeting of the **Secured Creditors of Hemla Embroidery Mills Pvt Ltd** is

**scheduled to be held on Thursday, 13<sup>th</sup> June, 2024 at 2:00 P.M., through Video Conferencing, when you are requested to attend.**

**Facility of remote e-voting will be available during the prescribed period before the meeting. Accordingly, Secured Creditors can vote through remote electronic means (without attending the meeting), instead of voting in the meeting.**

The Hon'ble Tribunal has appointed Mr Ajay Garg, Advocate as the Chairperson, Mr Naresh Chand Gupta, Advocate, as the Alternate Chairperson and Ms Mallika Goel, Company Secretary, as the Scrutinizer of the aforesaid meeting.

A copy each of the Explanatory Statement [under Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any], the proposed Scheme of Arrangement and other documents, if any, are enclosed.

The proposed Scheme of Arrangement, if approved in the meeting(s), will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh.

Dated this 7<sup>th</sup> May, 2024

Sd/-  
**Ajay Garg, Advocate**  
Chairperson of the meeting

Through

Sd/-  
Kartikeya Goel, Advocate  
**For Rajeev Goel & Associates**  
Counsel for the Applicants  
785, Pocket-E, Mayur Vihar-II  
Delhi-Meerut Expressway/NH-9  
Delhi 110 091  
e-mail: [rajeev391@gmail.com](mailto:rajeev391@gmail.com)  
Website: [www.rgalegal.in](http://www.rgalegal.in)

**Notes:**

1. The present meeting is proposed to be convened through Video Conferencing in terms of the Order passed by the Hon'ble National Company Law Tribunal, the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013, if any. Facility of remote e-voting will be available during the prescribed period before the meeting; and through e-voting platform which will be available during the meeting.
2. National Securities Depository Limited (NSDL) is appointed to provide remote e-voting facility before the meeting and to provide e-voting platform during the meeting, in a secured manner; as well as to provide platform for convening the meeting through Video Conferencing. Whereas Mas Services Ltd, a SEBI registered Registrar and Transfer Agent (RTA) is appointed to handle and supervise the entire process of holding the meeting through Video Conferencing, e-voting and processing of data relating to the meeting and voting, etc.
3. **Notice of the meeting will be sent to all Secured Creditors of the Company through approved mode(s).**
4. **Secured Creditors who have not registered their e-mail id, can get the same registered by sending the request to the Company at [accounts@hemlaembroidery.com](mailto:accounts@hemlaembroidery.com) or to the Legal Counsel to the Scheme at [rajeev391@gmail.com](mailto:rajeev391@gmail.com).**
5. **In case of any difficulty in registering the e-mail id; e-voting or attending the meeting through Video Conferencing, etc., the following persons may be contacted:**

Name	Contact Detail
<b>Mr Sharwan Mangla</b> General Manager Mas Services Ltd	011 26387281-83 <a href="mailto:sm@masserv.com">sm@masserv.com</a>
<b>Mr Dinesh Kumar</b> Accounts Manager Hemla Embroidery Mills Pvt Ltd	9810327323 <a href="mailto:accounts@hemlaembroidery.com">accounts@hemlaembroidery.com</a>

6. Only Secured Creditors of the Company may attend the meeting of Secured Creditors through Video Conferencing and vote through e-voting system.

7. **Institutional/Corporate Secured Creditors (i.e., other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation, etc., authorising its representative to attend the meeting and vote on its behalf. The said Resolution/Authorization may be sent to the Scrutinizer at: [goelmallika9@gmail.com](mailto:goelmallika9@gmail.com).**
8. **Please take note that since the meeting is proposed to be held through Video Conferencing, option of attending the meeting through proxy is not applicable/available.**
9. **Instructions for attending the meeting through Video Conferencing and voting through e-voting system are given at the end of this notice.**
10. Voting may be made through remote e-voting which will be available during the prescribed period before the meeting (as given below); and through e-voting platform which will be available during the meeting:

<b>Commencement of remote e-voting</b>	Monday, 10 <sup>th</sup> June, 2024 at 9:00 A.M. IST
<b>End of remote e-voting</b>	Wednesday, 12 <sup>th</sup> June, 2024 at 5:00 P.M. IST

11. All the Secured Creditors will be entitled to attend the meeting through Video Conferencing. However, the Secured Creditors who have already voted through the remote e-voting process before the meeting, will not be entitled to vote at the meeting.
12. Secured Creditors attending the meeting through video conferencing shall be counted for the purposes of reckoning the quorum.
13. Notice of the meeting, Explanatory Statement and other documents are also being placed on the following website:

<b>Particulars</b>	<b>Website</b>
Pee Empro Exports Pvt Ltd	<a href="http://www.pempro.com">www.pempro.com</a>
Hemla Embroidery Mills Pvt Ltd	<a href="http://www.hemlaembroidery.com">www.hemlaembroidery.com</a>

Encl.: As above

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

The remote e-voting period begins **Monday, 10<sup>th</sup> June, 2024 at 9:00 A.M. IST** and ends **Wednesday, 12<sup>th</sup> June, 2024 at 5:00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Creditors, whose names appear in the creditors list as on (cut-off date) i.e., 30<sup>th</sup> September, 2023, may cast their vote electronically. The voting right of creditors shall be in proportion to their respective amount.

### LOGIN METHOD FOR CREDITORS:

- 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.
- 4.** Enter user ID as given in email.
- 5.** Enter password as given in email.
- 6.** Enter Captcha.
- 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 successful login you will be able to see EVEN of Company
- 10.** Select EVEN of company to cast your vote.
- 11.** Now you are ready for e-voting as the voting page open.
- 12.** Cast your vote by selecting appropriate options, i.e., assent or dissent, verify/modify the amount of debt for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

13. Upon confirmation the message "Vote cast successfully" will be displayed.
14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**INSTRUCTIONS FOR CREDITORS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

1. Creditors will be provided with a facility to attend the NCLT meeting through VC/OAVM through the NSDL e-Voting system. Creditors 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 General 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.
2. After click on link system will be re-direct at cisco website
3. Enter your first name.
4. Enter your last name.
5. Enter your email id.
6. Click on join now.
7. If Cisco driver not available in your system, please click on run temporary driver.
8. Creditors are encouraged to join the Meeting through Laptops for better experience.
9. Further, Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
10. 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.

- 11.** Creditors who would like to express their views/have questions may send their questions in advance mentioning their name, email-id, mobile number at [accounts@hemlaembroidery.com](mailto:accounts@hemlaembroidery.com). The same will be replied by the Company suitably.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH-I, CHANDIGARH  
(ORIGINAL JURISDICTION)  
COMPANY APPLICATION NO. CA (CAA) 09/CHD/HRY OF 2024  
IN THE MATTER OF THE COMPANIES ACT, 2013 (18 OF 2013)

SECTIONS 230 & 232

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

AND

IN THE MATTER OF

PEE EMPRO EXPORTS PVT LTD

APPLICANT NO. 1/DEMERGED COMPANY

AND

HEMLA EMBROIDERY MILLS PVT LTD

APPLICANT NO. 2/RESULTING COMPANY

**Explanatory Statement**

[Under Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any.]

- 1.** A joint Company Application being CA (CAA) 09/Chd/Hry of 2024, was filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh (hereinafter referred to as "the Tribunal/NCLT") under the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, in connection

with the proposed Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd (hereinafter referred to as "the Scheme of Arrangement" or "this Scheme or "the Scheme") and other connected matters, if any.

2. Pursuant to the Order dated 25<sup>th</sup> April, 2024 (date of pronouncement), passed by the Hon'ble Tribunal, in the above referred joint Company Application, separate meetings of the Un-secured Creditors of Pee Empro Exports Pvt Ltd (the Demerged Company); and Secured Creditors and Un-secured Creditors of Hemla Embroidery Mills Pvt Ltd (Resulting Company) are scheduled to be convened and held **through Video Conferencing** with facility of remote e-voting, **Thursday, 13<sup>th</sup> June, 2024**, as per the following schedule, for the purpose of considering and, if thought fit, approving, the proposed Scheme of Arrangement, at which time the said stakeholders are requested to attend:

Sl. No.	Meeting of	Time
1.	Un-secured Creditors of Demerged Company-Pee Empro Exports Pvt Ltd	11:00 A.M
2.	Secured Creditors of Resulting Company-Hemla Embroidery Mills Pvt Ltd	2:00 P.M.
3.	Un-secured Creditors of Resulting Company-Hemla Embroidery Mills Pvt Ltd	4:00 P.M.

**Voting** may be made through remote e-voting which will be available during the prescribed period before the meetings (as given below); and through e-voting platform which will be available during the meetings:

<b>Commencement of remote e-voting</b>	Monday, 10 <sup>th</sup> June, 2024 at 9:00 A.M. IST
<b>End of remote e-voting</b>	Wednesday, 12 <sup>th</sup> June, 2024 at 5:00 P.M. IST

3. The proposed Scheme of Arrangement provides for
  - i. Demerger of 'Investment Business and other ancillary activities' of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd.
  - ii. Various other matters incidental, consequential or otherwise integrally connected with the aforesaid Demerger.

A copy of the Scheme of Arrangement setting out the terms and conditions of the proposed De-merger and other matters connected, is enclosed with this Explanatory Statement.

#### **4. Companies to the Scheme and their Background**

##### **4.1 Demerged Company-Pee Empro Exports Pvt Ltd:**

- i. Demerged Company-Pee Empro Exports Pvt Ltd [Corporate Identity Number (CIN): U74899HR1980PTC115338; Income Tax Permanent Account No. (PAN): AAACP3293P] was incorporated on 18<sup>th</sup> June, 1980, under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Company was shifted from the NCT of Delhi to the State of Haryana as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 19<sup>th</sup> September, 2023. The Registrar of Companies, NCT of Delhi & Haryana, New Delhi registered the aforesaid Order and allotted a new CIN to the Company.
- ii. Presently, the Registered Office of the Demerged Company is situated at Plot No. 78, Sector-27A, Main Mathura Road, Faridabad-121 003, Haryana; e-mail id: [accounts@pempro.com](mailto:accounts@pempro.com); Website: [www.pempro.com](http://www.pempro.com)
- iii. The detailed objects of the Demerged Company are set out in the Memorandum of Association and are, inter-alia, briefly stated as below:

##### **Main Objects:**

1. *To carry on the business of and act as exporters, importers, distributors, commission agents, purchasers, stockists and suppliers of and dealers in all kinds of textile cloths and textile goods, embroidered and un-embroidered, shawls, sarees, curtains, covers, rugs, carpets, draperies and all other kinds of wearing apparel and hosiery goods, laces, insertions, ribbons, trimmings, tapes, elastics, braces belts, garters, saree-boarders, shawlboarders, interwoven name labels dressing material, handi-crafts. Papers and paper*

*products, artificial and real non gold jewellery and diamond drugs, medicines, engineering goods, fiber and wastes, sanitary wares, furniture and upholstery glass and glassware, hides and skins, ivory, electrical, mechanical, photographic, surgical, optical, scientific and other instruments, leather goods, lac, linoleum, linen, plastics, pearls, patent synthetic, rugs and rugs, rubber starches, spices, sport goods scrap, toys automobile components, electrical fittings timber, plywood, tea and coffee.*

- iv.** The Demerged Company-Pee Empro Exports Pvt Ltd is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade garments, the Company is also engaged in investment business and other ancillary activities. Thus, the Demerged Company has two business verticals-Garment Business and Investment Business.
- v.** Present Authorised Share Capital of the Demerged Company is ₹5,00,00,000 divided into 5,00,000 Equity Shares of ₹100 each. The Present Issued, Subscribed and Paid-up Capital of the Company is ₹4,80,00,000 divided into 4,80,000 Equity Shares of ₹100 each.
- vi.** Detail of the present Board of Directors of the Demerged Company is given below:

<b>Sl. No.</b>	<b>Name &amp; Address</b>	<b>DIN</b>	<b>Designation</b>
<b>1.</b>	<b>Prit Mohinder Singh Uppal</b> 22, Firoz Gandhi Road, Lajpat Nagar-III, New Delhi-110065	00253279	Director
<b>2.</b>	<b>Perminder Singh Uppal</b> 3, Southern Avenue, Maharani Bagh, New Delhi-110065	00253329	Director

#### **4.2 Resulting Company-Hemla Embroidery Mills Pvt Ltd:**

- i. The Resulting Company-Hemla Embroidery Mills Pvt Ltd [Corporate Identity No. (CIN): U74999HR1958PTC002248; Income Tax Permanent Account No. (PAN): AAACH4302B] was incorporated on 21<sup>st</sup> August, 1958, under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, Punjab & Himachal Pradesh with the Registered Office of the Company situated in Faridabad. On creation of the State of Haryana pursuant to reorganisation of the State of Punjab, the Registered Office of the Company became part of the State of Haryana, and the Company came under the jurisdiction of the Registrar of Companies, NCT of Delhi and Haryana, New Delhi.
- ii. Presently, the Registered Office of the Applicant Resulting Company is situated at 14/6, Hemla Nagar, Mathura Road, Faridabad-121 003, Haryana; e-mail: [accounts@hemlaembroidery.com](mailto:accounts@hemlaembroidery.com); Website: [www.hemlaembroidery.com](http://www.hemlaembroidery.com)
- iii. The detailed objects of the Resulting Company are set out in the Memorandum of Association and are briefly stated as below:

##### **Main Objects:**

1. *To carry on business in India, and elsewhere as Embroiderers Cotton Spinners, and doublers, Flax hemp, jute silk wool and art-silk spinners, manufacturers of and dealers in all kinds of textile cloths and textile goods, embroidery and un-embroidered, shawls, sarees, curtains, covers, carpets, rugs, drappenes, and all other kinds of wearing apparel and hosiery goods, laces insertions, ribbons trimmings, fringes braids, tapes, wicks, elastics, braces, belts garters, saree-borders, shawl-borders interwoven name tables and other narrow fabrics, and all other furnishing and decorative article and goods made of flax, hemp jute cotton, wool, art silk, synthetic fabrics, gold, silver, and other metal threads mixed textiles and all other fibrous substances.*
2. *To purchase, comb, prepare, gin. Dress, spin, dye bleach, print and with the object of manufacturing*

*articles of all descriptions therefrom to take up any other process and processes with respect to and otherwise in all manners to deal in flax hemp, jute, raw cotton, cotton waste, silk artificial silk, wool, kapas rags and all other fibres, and fibrous articles and materials and to weave embroider or otherwise manufacture, buy sell and deal in linen, cloth, and other goods and fabrics, whether textile:, felted, netted or looped, and generally to carry on business as ginner, carder, wool-combers wool-spinners worsted-spinners worsted-stuff manufacturers yarn merchants, bleachers, dyers cloth printers, embroiders, finishers and makers of bleaching and dyeing materials.*

*3. To prepare, manufacture, make, refine, colour dye, bleach improve, twist double, and wind on beams, cones, spools, rolls, bobbins, and similar other articles, or to do any other process with respect to crochet knitting, sewing embroidery and all other kinds of threads, yarn, strings, cords and ropes, whether of flax, hemp, jute, cotton, silk, artificial-silk gold, silver and all other fibres or fibrous substances or metals and to buy, sell or otherwise deal in all or and any such articles in all or any of these forms.*

*4. To subscribe purchase or otherwise acquire any hold shares, stock debentures or other interest in any other company, firm corporation, society or partnership.*

**iv.** The Resulting Company-Hemla Embroidery Mills Pvt Ltd is engaged in business of embroidery on fabric and other related activities. The Company is one of the leading players in schiffli embroidery. Catering to the needs of garment and fabric exporters for more than 50 years, it has one of the largest processing facilities in Northern India.

**v.** Present Authorised Share Capital of the Resulting Company is ₹50,00,000 divided into 50,000 Equity Shares of ₹100 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is ₹45,00,000 divided into 45,000 Equity Shares of ₹100 each.

**vi.** Detail of the present Board of Directors of the Resulting Company is given below:

<b>Sl. No.</b>	<b>Name &amp; Address</b>	<b>DIN</b>	<b>Designation</b>
<b>1.</b>	<b>Prit Mohinder Singh Uppal</b> 22, Firoz Gandhi Road, Lajpat Nagar-III, New Delhi-110065	00253279	Director
<b>2.</b>	<b>Perminder Singh Uppal</b> 3, Southern Avenue, Maharani Bagh, New Delhi-110065	00253329	Director

**5. Detail of the Promoters:** The Demerged Company is a closely held private limited company. Whereas the Resulting Company is a subsidiary of the Demerged Company. The Demerged Company is holding 91% of the total issued and paid-up Equity Share Capital of the Resulting Company. Both the Companies are closely held un-listed Group Companies under common management and control. Mr Prit Mohinder Singh Uppal and Mr Perminder Singh Uppal along with their family members are the core promoters of both the Applicant Companies.

**6.** The proposed Demerger of the 'Investment Business and other ancillary activities' of Pee Empro Exports Pvt Ltd (the Demerged Company) which are proposed to be demerged into Hemla Embroidery Mills Pvt Ltd (the Resulting Company), will be affected by the arrangement embodied in the Scheme of Arrangement framed under Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any.

## **7. Rationale and Benefits of the Scheme:**

The circumstances which justify and/or necessitate the proposed Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd; and benefits of the proposed Demerger of the Demerged Undertaking of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd, to the Shareholders and other stakeholders are, inter alia, given below:

- i.** The Demerged Company-Pee Empro Exports Pvt Ltd is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with



Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade garments, the Company is also engaged in investment business and other ancillary activities. Thus, the Demerged Company has two business verticals-Garment Business and Investment Business.

- ii.** Whereas the Resulting Company-Hemla Embroidery Mills Pvt Ltd is engaged in business of embroidery on fabric and other related activities. The Company is one of the leading players in schiffli embroidery. Catering to the needs of garment and fabric exporters for more than 50 years, it has one of the largest processing facilities in Northern India. The Resulting Company is a subsidiary of the Demerged Company. The Demerged Company is holding 91% of the total issued and paid-up Equity Share Capital of the Resulting Company.
- iii.** To have complete focus on its core business activities of manufacturing and export of readymade garments and for other strategic reasons, the Demerged Company is proposing to hive off its Investments Business and consolidated the same into its Subsidiary Resulting Company.
- iv.** The proposed Demerger will enable better management focus on the respective businesses. It will facilitate administrative convenience and will ensure optimum utilization of various resources in the Demerged Company and the Resulting Company.
- v.** The proposed Demerger will enable the Demerged Company and the Resulting Company to hire suitable manpower, raise necessary funds, invite strategic investors and other stakeholders for their respective businesses.
- vi.** The proposed Demerger will provide scope for independent expansion of the respective businesses. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business.
- vii.** The proposed Demerger will have beneficial impact on the Demerged Company and the Resulting Company, their shareholders, employees, and other stakeholders and all concerned.

The Scheme of Arrangement is proposed for the aforesaid reasons. The Board of Directors and Management of the Demerged Company and the Resulting Company is of the opinion that the proposed Scheme is in the best interest of these Companies, their Shareholders and other stakeholders.

## **8. Salient features of the Scheme of Arrangement**

- i. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of Demerged Undertaking of Pee Empro Exports Pvt Ltd will be transferred to and vest in Hemla Embroidery Mills Pvt Ltd.
- ii. All the employees of the Demerged Company, employed in the activities relating to the Demerged Undertaking, in service on the Effective Date, shall become the employees of the Resulting Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those applicable to them in the Demerged Undertaking of the Demerged Company, on the Effective Date.
- iii. Appointed Date for the Scheme of Arrangement will be the same as the Effective Date, or such other date as may be mutually decided by the Board of Directors of the Demerged Company and the Resulting Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- iv. The Share Exchange Ratio for Demerger will be as follows:
  - The Resulting Company-Hemla Embroidery Mills Pvt Ltd will issue 283 (two hundred and eighty-three) Equity Shares of ₹100 each, credited as fully paid up, to the Equity Shareholders of the Demerged Company for every 1000 (one thousand) Equity Shares of ₹100 each held in the Demerged Company-Pee Empro Exports Pvt Ltd.

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

- 9. Extracts of the Scheme:** Extracts of the selected clauses of the Scheme are reproduced below in italics (*points/clauses referred to in this part are of the Scheme of Arrangement*):

## **1.1 DEFINITIONS**

In this Scheme and all other Scheme related documents, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- 1.1.1 "Act or Companies Act, 2013"** means the Companies Act, 2013 (18 of 2013); and Rules, Notifications, Circulars, Clarifications made or issued thereunder [including but not limited to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016]; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.
- 1.1.2 "Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority, having the force of law and as applicable to the Companies to this Scheme.
- 1.1.3 "Appointed Date"** for the purpose of this Scheme means commencement of business as on the Effective Date; or such other date as may be mutually decided by the Board of Directors of the Demerged Company and the Resulting Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- 1.1.4 "Board" or "Board of Directors"** means the respective Board of Directors of the Demerged Company and the Resulting Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include Committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such Committee(s).
- 1.1.5 "Companies"** means the Demerged Company and the Resulting Company when referred collectively; and "Company" means each of these Companies, individually.

**1.1.6 “Demerged Company”** means **Pee Empro Exports Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Plot No. 78, Sector-27A, Main Mathura Road, Faridabad-121 003, Haryana; e-mail id: [accounts@pempro.com](mailto:accounts@pempro.com); Website: [www.pempro.com](http://www.pempro.com).

The Demerged Company-Pee Empro Exports Pvt Ltd [Corporate Identity Number (CIN): U74899HR1980PTC115338; Income Tax Permanent Account No. (PAN): AAACP3293P] was incorporated on 18<sup>th</sup> June, 1980, under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Company was shifted from the NCT of Delhi to the State of Haryana as approved by the Hon’ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 19<sup>th</sup> September, 2023. The Registrar of Companies, NCT of Delhi & Haryana, New Delhi registered the aforesaid Order and allotted a new CIN to the Company.

**1.1.7 “Demerged Undertaking/Demerged Business”** means the ‘Investments Business’ and other related and ancillary activities of Pee Empro Exports Pvt Ltd (the Demerged Company) which are proposed to be demerged into Hemla Embroidery Mills Pvt Ltd (the Resulting Company). Demerged Undertaking means all the undertakings, business, operations, activities, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of Pee Empro Exports Pvt Ltd, in relation to and pertaining to its ‘Investments Business’ and other related and ancillary activities on a going-concern basis, and shall include (without limitation):

1.1.7.1 Entire operations and activities of Investments Business of Pee Empro Exports Pvt Ltd and other related and ancillary activities.

1.1.7.2 Land, building and all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of Investments Business (the Demerged Undertaking) of Pee

Empro Exports Pvt Ltd wherever situated pertaining thereto.

1.1.7.3 All present and future liabilities (including contingent liabilities) arising out of the activities or operations of the Demerged Undertaking, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Demerged Undertaking.

1.1.7.4 Without prejudice to the generality of the above, Demerged Undertaking shall include in particular:

- i. All properties, assets and investments of the Demerged Undertaking wherever situated including but not limited to land and building, land parcels, plant and machinery, work-in-progress, and other development, pertaining to the Demerged Undertaking.
- ii. All rights, entitlements, benefits of all contracts, agreements, vendor codes, approved tenders, past experience and credentials, business track record, and all other rights including leasehold rights and tenancy rights, if any, goodwill, intellectual property rights along with copy right, design, patent, etc., investments, cash balances, the benefit of any deposit, financial assets, funds belonging to or proposed to be utilized for the Demerged Undertaking, bank balances and bank accounts relating to the day to day operations and specific to the working of the Demerged Undertaking; and all other fiscal and non-fiscal incentives, offset, credit, benefits and privileges which are available to or being availed by the Demerged Company or which the Demerged Company may be entitled to at any time for its Demerged Undertaking, shall be continued to be available in the Resulting Company for the Demerged Undertaking after the proposed demerger.
- iii. All statutory permissions, approvals, consents, licenses, registrations, permits, no objection certificates (NOCs), obtained or granted in relation to the Demerged Undertaking, or to carry out the

activities of the Demerged Undertaking, or otherwise.

- iv. All tax credits/ incentives (including but not limited to credits/ incentives in respect of income tax, sales tax, value added tax, Goods and Service Tax, service tax, etc.), deferred tax benefits, advance tax, Minimum Alternate Tax, tax losses, unabsorbed depreciation, tax holidays and any other carry forwards, subsidies or benefits under various statutes and schemes of the government relating to the Demerged Undertaking.
- v. Powers and facilities of every kind, nature, and description whatsoever, rights to use and avail of telephones, mobile phones, internet, facsimile connections and installations, utilities, power and electricity connections, water and other services, and all other interests in connection with or relating to the Demerged Undertaking.
- vi. All contracts with customers and vendors, and other agreements in relation to the Demerged Undertaking.
- vii. All advances, deposits, balances, earnest moneys, fees, security deposits, bank guarantee, bank deposits, or any other payments; paid to or received from or deposited with any Government Department, Semi Government Department, other Authority, agency, private party customer, or any other person, by the Demerged Company in connection with or relating to the Demerged Undertaking.
- viii. All trademarks, service marks, patents and domain names, copyrights, industrial designs, product registrations and other intellectual property rights with goodwill including but not limited to all intellectual property rights and all other interests exclusively relating to the goods or services being dealt with by the Demerged Company with regard to the Demerged Undertaking, which shall not include any assets or liabilities relating to the Remaining Business of the Demerged Company.

- ix. All books, records, files, papers, computer programs and IT Software along with their licenses, applications, licenses & subscriptions, manuals, data, back-up, copies, drawing, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records, whether in physical form or electronic form in connection with or relating to, directly or indirectly, the Demerged Undertaking.
- x. All duties and obligations, which are relatable to the Demerged Undertaking.
- xi. All the legal proceedings of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking.

1.1.7.5 For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Business include:

- a. The liabilities, which arise out of the activities or operations of the Demerged Undertaking.
- b. Specific loans and borrowings raised, incurred and utilized solely for the respective activities or operation of the Demerged Undertaking.
- c. General and/or multi-purpose corporate liabilities allocable to the Demerged Undertaking, in proportion to the assets of the Demerged Undertaking.

1.1.7.6 All employees, staff and workmen of the Demerged Company employed in or in relation to the Demerged Undertaking, as identified by the Board of Directors of the Demerged Company, as on the Effective Date.

1.1.7.7 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, shall be decided by the Board of Directors of the Demerged Company.

Proforma Balance Sheet of the Demerged Undertaking of the Demerged Company is set out in Schedule-1.

**1.1.8 "Demerger"** means transfer and vesting of 'Investment Business and other ancillary activities' of Pee Empro Exports Pvt Ltd on a going-concern basis, by way of demerger into Hemla Embroidery Mills Pvt Ltd, in terms of this Scheme in its present form or with any modification(s) as approved by the Hon'ble National Company Law Tribunal or any other competent authority, as the case may be.

**1.1.9 "Effective Date"** means last of the dates on which the certified copies of the Order(s) passed by the Hon'ble National Company Law Tribunal, sanctioning the Scheme of Arrangement, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall be a reference to the Effective Date.

It is, however, clarified that though this Scheme will become operative from the Effective Date, the provisions of this Scheme will be effective from the Appointed Date. In other words, the effective date is only a trigger point for implementation of the Scheme. As soon as the effective date is achieved, provisions of this Scheme will come into operation; and will be effective and applicable with effect from the Appointed Date in terms of the provisions of Section 232(6) of the Companies Act, 2013, and other applicable provisions, if any.

**1.1.10 "Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (c) any adverse claim as to title, possession or use.



- 1.1.11 "FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- 1.1.12 "Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of the Demerged Company or the Resulting Company or of the Demerged Undertaking of the Demerged Company, as the case may be, or in the nature of common law rights of the Demerged Company or the Resulting Company or of the Demerged Undertaking of the Demerged Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, as well as copyright in all of the brands, logos and their variations, along with the global goodwill associated with the foregoing; uniforms, all applications and registration for the foregoing (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws.
- 1.1.13 "IT Act"** means the Income Tax Act, 1961, and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- 1.1.14 "National Company Law Tribunal"** means appropriate Bench/Benches of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, or such other court, tribunal, forum or authority having jurisdiction to sanction the present Scheme and other connected matters.

The National Company Law Tribunal is hereinafter referred to as "the Tribunal"/"NCLT".

**1.1.15 "Record Date"** means the date(s) to be fixed by the Board of Directors of the Demerged Company or the Resulting Company, with reference to which the eligibility of the shareholders of Demerged Company shall be determined for allotment of shares in the Resulting Company on Demerger in terms of this Scheme; and other connected matters, if any.

**1.1.16 "Registrar of Companies"** means concerned Registrar(s) of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.

**1.1.17 "Remaining Business of the Demerged Company"** means all assets and liabilities including immovable property, undertakings, businesses, activities, operations, investments, cash and bank balances and intellectual property rights of the Demerged Company other than the Demerged Undertaking. Without prejudice to the generality of this Clause, the Remaining Business of the Demerged Company will include the following:

- i. Manufacturing and export of readymade garments and other related activities being carried on by Pee Empro Exports Pvt Ltd along with all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of such Business.
- ii. All trademarks, service marks, patents and domain names, copyrights, industrial designs, product registrations and other intellectual property rights being used by Pee Empro Exports Pvt Ltd for its remaining business.

## **2. TRANSFEROR AND VESTING OF DEMERGED UNDERTAKING OF PEE EMPRO EXPORTS PVT LTD INTO HEMLA EMBROIDERY MILLS PVT LTD**

Upon the Scheme becoming effective and with effect from the commencement of business on the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and

vesting, the Demerged Undertaking of the Demerged Company, as defined in 'Sub-clause 1.1.7' of 'Clause-1.1: Definitions' of this Scheme, shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in the following manner:

- 2.1 The whole of the undertaking and properties of the Demerged Undertaking of the Demerged Company shall, without any further act or deed stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, pursuant to the provisions contained in Sections 230 and 232 of the Companies Act, 2013, and all other applicable provisions, if any, and so as to vest in the Resulting Company, for all rights, title and interest pertaining to the Demerged Undertaking of the Demerged Company.
- 2.2 All debts, liabilities, contingent liabilities, duties and obligations of every kind nature and description of the Demerged Company relating to the Demerged Undertaking (including non-convertible debentures pertaining to the Demerged Undertaking of the Demerged Company) shall also, under the provisions of Sections 230 and 232 and all other applicable provisions, if any, of the Companies Act, 2013, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. It is clarified that in case any debenture issued in the Demerged Company forms part of the Demerged Undertaking, the Resulting Company will issue equal number of debentures on the same terms and conditions in lieu of such debentures.
- 2.3 All licenses, permissions, approval, consents or NOCs given by various government and other competent authorities to the Demerged Company in relation to the Demerged Undertaking or otherwise held by the Demerged Company to implement/carry on the Demerged Undertaking shall stand vested in or transferred to the Resulting Company, without any further act or deed, and shall be appropriately mutated by the authorities concerned therewith in favour of the Resulting

Company. The benefit of all statutory and regulatory permissions, registration or other licenses, and consents shall vest in and become available to the Resulting Company, pursuant to the Scheme.

- 2.4 All the investments made by the Demerged Company in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other Companies, whether quoted or unquoted, or any ownership or stake held in any other entity, by whatever name called, forming part of the Demerged Undertaking, shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 & 232 of the Act.
- 2.5 The transfer and vesting of the Demerged Undertaking, as aforesaid, shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof pertaining to the Demerged Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of Demerged Undertaking.
- 2.6 Without prejudice to the generality of the provisions contained in aforesaid Clauses, upon the Scheme becoming effective, the Demerged Company and Resulting Company will file requisite form(s) with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- 2.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities, powers of attorneys given by, issued to or executed in favour of the Demerged Company with respect to the Demerged Undertaking and the rights and benefits under the same and all other interests of the Demerged Undertaking, be without any further act or deed, be transferred to and vested in the Resulting Company.
- 2.8 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/ or indirect, payable by or on behalf of the

Demerged Undertaking of the Demerged Company from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refunds or claims (including refunds or claims pending with the Revenue Authorities), shall, for all purposes, be treated as the tax/ cess/ duty, liability, advance tax payment, tax deducted at source, refund or claim, as the case may be, of the Resulting Company. The Resulting Company is expressly permitted to claim refunds/ credits in respect of any transaction between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any.

- 2.9 Upon the Scheme becoming effective, all un-availed credits and exemptions, statutory benefits, including in respect of Income Tax (including MAT credit), CENVAT, Customs, VAT, Sales Tax, Service Tax, Goods and Services Tax, etc., relating to Demerged Undertaking to which the Demerged Company is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.
- 2.10 Upon this Scheme becoming effective, the Demerged Company and the Resulting Company shall be entitled to file/revise income tax returns, TDS returns, TDS certificates, sales tax/ value added tax returns, service tax returns, GST returns and other statutory filings and returns for the period commencing on and from the Appointed Date, and to take all such steps that may be required to give effect to the provisions of this Scheme and/or required to claim refunds, depreciation benefits, advance tax credits, MAT credit, un-availed credits and exemptions, statutory benefits, etc., if any.
- 2.11 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including, without limitation income tax, service tax, GST, excise duty, applicable state value added tax etc.) to which Demerged Undertaking of the Demerged Company is entitled to in terms of applicable laws, shall be available to and vest in the Resulting Company from the Appointed Date.
- 2.12 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company, which are being operated exclusively in relation to or in connection with the Demerged Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and

issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.

- 2.13 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Demerged Company in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain and operate the bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and, deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the Effective Date.

## **8. STAFF, WORKMEN AND EMPLOYEES**

- 8.1 On the Scheme becoming effective, all staff, workmen and employees of the Demerged Company, employed in the activities relating to the Demerged Undertaking, in service on the Effective Date, shall become and deemed to have become staff, workmen and employees of the Resulting Company on and from such date without any break or interruption in their service and on the basis of continuity of service, and upon terms and conditions not less favorable than those applicable to them in the Demerged Company, in relation to the Demerged Undertaking, on the Effective Date.
- 8.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Undertaking, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company, in relation to the Demerged Undertaking, in relation to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Undertaking, will be treated as having been continuous for the purpose of the aforesaid funds or provisions.

## **9. REMAINING BUSINESS OF THE DEMERGED COMPANY**

- 9.1 The Remaining Business of the Demerged Company and all the assets including immovable property, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 9.2 All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the

Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company.

9.3 With effect from the Appointed Date and including the Effective Date:

- a. The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and its own behalf.
- b. All profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

## **10. Issue of Shares by the Resulting Company**

10.1 Upon the Scheme coming into effect and in consideration of Demerger and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company, in terms of this Scheme; the Resulting Company, shall, without any further application or deed, issue and allot Share(s), to the Shareholders of the Demerged Company whose names appear in the Register of Members as on the Record Date, in the following ratio:

- a. The Resulting Company-Hemla Embroidery Mills Pvt Ltd will issue 283 (two hundred and eighty-three) Equity Shares of ₹100 each, credited as fully paid up, to the Equity Shareholders of the Demerged Company for every 1000 (one thousand) Equity Shares of ₹100 each held in the Demerged Company-Pee Empro Exports Pvt Ltd.

10.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

10.3 New Equity Shares to be issued by the Resulting Company in terms of Clause 10.1 above will be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company. New Equity Shares shall rank pari passu in all



respects, including dividend, with the existing Equity Shares of the Resulting Company.

- 10.4 The issue and allotment of Equity Shares by the Resulting Company to the Equity Shareholders of the Demerged Company, as provided in this Scheme, is an integral part thereof. The Members of the Resulting Company, on approval of the Scheme, shall be deemed to have given their approval under Sections 42 and 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Shares to the Members of the Demerged Company in terms of this Scheme.
- 10.5 In the event there being any pending share transfer(s), the Board of Directors of the Demerged Company or any committee thereof, shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Demerged Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulty arising on account of such transfer and in relation to shares to be issued to the shareholders of the Demerged Company pursuant to Clause 10.1 above.
- 10.6 Shares to be issued by the Resulting Company pursuant to this Scheme in respect of any shares of the Demerged Company, which are held in abeyance under the provisions of the Act or otherwise, shall be held in abeyance by the Resulting Company.
- 10.7 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Resulting Company to the Shareholders of the Demerged Company will not apply to the share application money, if any, which may remain outstanding in the Demerged Company as on the record date.
- 10.8 It is clarified that in the event of any change in the capital structure of the Demerged Company or the Resulting Company such as share split or consolidation of shares, conversion of any instrument into equity shares, issue of bonus shares, rights issue or other similar action; or any material accounting changes at any time before the Record Date; the Share Exchange Ratio as specified in Clause 10.1 of this Scheme, will be suitably adjusted for such changes. Any such adjustment in

the Share Exchange Ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Demerged Company and the Resulting Company.

**11. UPON THIS SCHEME BECOMING FINALLY EFFECTIVE:**

- 11.1 Upon the Scheme coming into effect, cross holding of shares between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled. Further, any deficit arising on Demerger will be adjusted against General Reserves & Surplus of the Demerged Company and the Resulting Company, as the case may be, as mentioned in 'Clause 12: Accounting Treatment' of this Scheme.
- 11.2 The proposed cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, to account for Demerger in the books of the Demerged Company and the Resulting Company shall be affected as an integral part of the Scheme only. Approval of this Scheme by the Shareholders and/or Creditors of the Demerged Company and the Resulting Company and sanction by the Tribunal under Sections 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of Section 66 of the Companies Act, 2013, and other applicable provisions, if any, for the aforesaid matters.
- 11.3 It is, however, clarified that the aforesaid cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, do not involve either the diminution of any liability in respect of un-paid share capital, or payment to any shareholder of any paid-up share capital. None of the Demerged Company and the Resulting Company is proposing any buy-back of shares from their respective shareholders. Accordingly, none of the Demerged Company and the Resulting Company will be required to use the words "and reduced" as part of their respective corporate names upon sanction of the Scheme.
- 11.4 It is further clarified that no creditor of the Demerged Company and the Resulting Company will be adversely affected by the proposed cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, in the books of the Demerged Company and the Resulting Company.

- 11.5 The Demerged Company and the Resulting Company will increase/ modify their respective Authorized Share Capital in compliance with the Companies Act, 2013, and other applicable provisions, if any, to the extent necessary to implement the terms of this Scheme. It is, however, clarified that approval of the present Scheme of Arrangement by the Shareholders of the Demerged Company and the Resulting Company will be sufficient for such modification/increase in the authorised share capital and no further approval from the Shareholders or any other person will be required for the same.

## **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1 The Demerged Company and the Resulting Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 15.2 In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Demerged Company may give and is authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.

**The aforesaid are the salient features/selected extracts of the Scheme of Arrangement. Please read the entire text of the Scheme of Arrangement to get acquainted with the complete provisions of the Scheme.**

- 10.** The proposed Scheme of Arrangement is for the benefit of both the Companies, their Shareholders and other stakeholders. It is fair and reasonable and is not detrimental to the interest of the public. It is not prejudicial to any person.
- 11.** Valuation exercise has been carried out to determine the share swap ratio for the proposed Scheme of Arrangement. Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets,

registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784, has prepared the Report on Valuation of Shares and Share Exchange Ratio.

The Report on Valuation of Shares & Share Exchange Ratio issued by Ms Mallika Goel, IBBI Registered Valuer in respect of Securities or Financial Assets, has been unanimously accepted by the respective Board of Directors of the Demerged Company and the Resulting Company. The Board of Directors of the Demerged Company and the Resulting Company, based on the Report on Valuation of Shares & Share Exchange Ratio; and on the basis of their independent evaluation and judgment, concluded that the proposed exchange ratio is fair and reasonable to the Shareholders and other stakeholders of all the Companies.

A complete set of the Report on Valuation of Shares & Share Exchange Ratio of Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784 giving basis of valuation, valuation methodology and calculations, etc., is enclosed herewith.

- 12.** The proposed Scheme of Arrangement has been unanimously approved by the respective Board of Directors of the Demerged Company and the Resulting Company in their respective meetings held on 18<sup>th</sup> December, 2023. None of the Directors voted against or abstained from voting on the resolution for approving the Scheme of Arrangement in the aforesaid meetings.
- 13.** The present Scheme of Arrangement, if approved in the aforesaid meetings, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh. No specific approval is required to be obtained from any other government authority to the present Scheme of Arrangement.
- 14.** No proceedings for inspection, inquiry or investigation under the provisions of the Companies Act, 2013, or under the provisions of the Companies Act, 1956, are pending against the Demerged Company and the Resulting Company.

**15. Effect of the Scheme on the Promoters, Directors, Key Managerial Personnel, Shareholders, etc.:**

- a.** Promoters and/or Directors of the Demerged Company and the Resulting Company are deemed to be interested in the proposed Scheme of Arrangement to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. Similarly, Key Managerial Personnel (KMP) of the Demerged Company and the Resulting Company may also be deemed to be interested in the proposed Scheme to the extent of their shareholding in, loan given to and remuneration drawn from, as the case may be, the respective Companies.
  - b.** The proposed Scheme of Arrangement would not have any effect on the material interest of the Promoters, Directors and Key Managerial Personnel of the Demerged Company and the Resulting Company different from that of the interest of other shareholders, creditors and employees of these Companies.
  - c.** The proposed Scheme of Arrangement does not envisage any corporate debt restructuring. There is no proposal to restructure or vary the debt obligation of any of the Demerged Company and the Resulting Company towards their respective creditors. The proposed Scheme of Arrangement will not adversely affect the rights of any of the creditors of the Demerged Company and the Resulting Company in any manner whatsoever.
  - d.** The proposed Scheme of Arrangement will not have any adverse effect on the Secured Creditors, Un-Secured Creditors, Employees and other stakeholders, if any, of the Demerged Company and the Resulting Company.
- 16.** A copy of the Scheme of Arrangement is being filed with the concerned Registrar of Companies.
- 17.** Copies of the latest Audited Financial Statements of the Demerged Company and Resulting Company for the year ended 31<sup>st</sup> March, 2023, along with the Auditors' Reports thereon, are enclosed herewith.

- 18.** Copies of the Un-audited Financial Statements (provisional) of the Demerged Company and Resulting Company for the period ended 30<sup>th</sup> September, 2023 are also enclosed herewith.
- 19.** Copies of the Un-audited Financial Statements (provisional) of the Demerged Company and Resulting Company for the period ended 31<sup>st</sup> December, 2023 are also enclosed herewith.
- 20.** Total amount due to Secured Creditors of the Demerged Company, as on 1<sup>st</sup> February, 2024, are given below:

(As on 01.02.2024)

<b>Sl. No.</b>	<b>Secured Creditors of</b>	<b>Amount ₹</b>
<b>1.</b>	Pee Empro Exports Pvt Ltd	Nil

- 21.** Total amount due to Secured Creditors of the Resulting Company, as on 30<sup>th</sup> September, 2023, are given below:

(As on 30.09.2023)

<b>Sl. No.</b>	<b>Secured Creditors of</b>	<b>Amount ₹</b>
<b>1.</b>	Hemla Embroidery Mills Pvt Ltd	6,70,65,878.05

- 22.** Total amount due to Un-secured Creditors [excluding Statutory and Other Dues] of the Demerged Company and the Resulting Company, as on 30<sup>th</sup> September, 2023, are given below:

(As on 30.09.2023)

<b>Sl. No.</b>	<b>Un-secured Creditors of</b>	<b>Amount ₹</b>
<b>1.</b>	Pee Empro Exports Pvt Ltd	35,33,26,188.00
<b>2.</b>	Hemla Embroidery Mills Pvt Ltd	1,25,45,676.41

- 23.** The following documents will be available for inspection or for obtaining extracts from or for making or obtaining copies of, by the members and creditors at the registered office of the Demerged Company and the Resulting Company on any working day from the date of this notice till the date of meeting between 11:00 A.M. and 4:00 P.M.:

- a.** The Memorandum and Articles of Association of the Demerged Company and the Resulting Company.

- b.** The Audited Financial Statements of the Demerged Company and Resulting Company for the year ended 31<sup>st</sup> March, 2023, respectively.
  - c.** Un-audited Financial Statements (provisional) for the period ended 30<sup>th</sup> September, 2023, of the Demerged Company and the Resulting Company.
  - d.** Un-audited Financial Statements (provisional) of the Demerged Company and Resulting Company for the period ended 31<sup>st</sup> December, 2023.
  - e.** Register of Particulars of Directors and KMP and their Shareholding, of the Demerged Company and the Resulting Company.
  - f.** Copy of the proposed Scheme of Arrangement.
  - g.** Paper Books and proceedings of the Company Application No. CA (CAA) 09/Chd/Hry of 2024.
  - h.** Copy of Order dated 25<sup>th</sup> April, 2024 (date of pronouncement), passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench-I, Chandigarh, in the Company Application No. (CAA) 09/Chd/Hry of 2024, jointly filed by the Demerged Company and the Resulting Company, in pursuance of which the aforesaid meetings are scheduled to be convened.
  - i.** Report on Valuation of Shares & Share Exchange Ratio by Ms Mallika Goel, Registered Valuer in respect of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784.
  - j.** Copies of the Certificates issued by the Statutory Auditors of the Demerged Company and the Resulting Company to the effect that the accounting treatment proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
- 24.** A copy of the Scheme of Arrangement, Explanatory Statement and other annexures may be obtained free of charge on any working day (except Saturday) prior to the date of meetings, from the respective registered office of the Demerged Company and the Resulting

Company; or from the office of the Legal Counsel-M/s Rajeev Goel & Associates, Advocates and Solicitors, 785, Pocket-E, Mayur Vihar-II, Delhi Meerut Expressway/ NH-9, Delhi-110 091, India, Mobile: 88005 15597, e-mail: [rajeev391@gmail.com](mailto:rajeev391@gmail.com); Website: [www.rgalegal.in](http://www.rgalegal.in).

25. Notices of the meetings, Explanatory Statement and other documents are also being placed on the following website(s):

Particulars	Website
Pee Empro Exports Pvt Ltd	<a href="http://www.pempro.com">www.pempro.com</a>
Hemla Embroidery Mills Pvt Ltd	<a href="http://www.hemlaembroidery.com">www.hemlaembroidery.com</a>

26. **Please take note that since all the meetings are proposed to be held through Video Conferencing, option of attending the meetings through proxy is not applicable/available.**

27. Facility of remote e-voting will be available during the prescribed period before the meetings as given in the notice of the meetings e-voting system will also be available during the meetings. Instructions for attending the meetings through Video Conferencing; and for voting through e-voting system are given in the notice of meetings.

Dated this 7<sup>th</sup> day of May, 2024

**For and on behalf of the Board  
of Directors  
For Pee Empro Exports Pvt Ltd**

**For and on behalf of the Board of  
Directors  
For Hemla Embroidery Mills Pvt Ltd**

**Sd/-  
Prit Mohinder Singh Uppal  
Director  
DIN: 00253279**

**Sd/-  
Perminder Singh Uppal  
Director  
DIN: 00253329**



**SCHEME OF ARRANGEMENT OF PEE EMPRO EXPORTS PVT LTD AND HEMLA EMBROIDERY MILLS PVT LTD;**

AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 & 232 OF THE COMPANIES ACT, 2013, READ WITH SECTION 66 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS, IF ANY

**Preamble**

This Scheme of Arrangement is framed in terms of the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, together with Section 2(19AA) of the Income Tax Act, 1961, and other applicable provisions, if any.

The Scheme of Arrangement provides for Demerger of 'Investment Business and other ancillary activities' (the Demerged Undertaking) of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd; and various other matters incidental, consequential or otherwise integrally connected with the aforesaid Demerger, if any.

**1.1 DEFINITIONS**

In this Scheme and all other Scheme related documents, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- 1.1.1 "Act or Companies Act, 2013"** means the Companies Act, 2013 (18 of 2013); and Rules, Notifications, Circulars, Clarifications made or issued thereunder [including but not limited to the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016]; and includes any amendments, statutory re-enactments, and modifications thereof for the time being in force.
- 1.1.2 "Applicable Law(s)"** means any relevant statute, notification, by-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, schemes, notices, treaties, judgement, decree, approvals, orders or instructions enacted or issued or sanctioned by any Governmental and Registration Authority, having the force of law and as applicable to the Companies to this Scheme.
- 1.1.3 "Appointed Date"** for the purpose of this Scheme means commencement of business as on the Effective Date; or such other date as may be mutually decided by the Board of Directors of the Demerged Company and the Resulting Company with the approval of the Hon'ble National Company Law Tribunal; or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve.
- 1.1.4 "Board" or "Board of Directors"** means the respective Board of Directors of the Demerged Company and the Resulting Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include Committee(s) so authorised by the Board of Directors, or any person authorised by the Board of Directors or such Committee(s).

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

**1.1.5 "Companies"** means the Demerged Company and the Resulting Company when referred collectively; and "Company" means each of these Companies, individually.

**1.1.6 "Demerged Company"** means **Pee Empro Exports Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at Plot No. 78, Sector-27A, Main Mathura Road, Faridabad-121 003, Haryana; e-mail id: [accounts@pempro.com](mailto:accounts@pempro.com); Website: [www.pempro.com](http://www.pempro.com).

The Demerged Company-Pee Empro Exports Pvt Ltd [Corporate Identity Number (CIN): U74899HR1980PTC115338; Income Tax Permanent Account No. (PAN): AAACP3293P] was incorporated on 18<sup>th</sup> June, 1980, under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Company was shifted from the NCT of Delhi to the State of Haryana as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 19<sup>th</sup> September, 2023. The Registrar of Companies, NCT of Delhi & Haryana, New Delhi registered the aforesaid Order and allotted a new CIN to the Company.

**1.1.7 "Demerged Undertaking/Demerged Business"** means the 'Investments Business' and other related and ancillary activities of Pee Empro Exports Pvt Ltd (the Demerged Company) which are proposed to be demerged into Hemla Embroidery Mills Pvt Ltd (the Resulting Company). Demerged Undertaking means all the undertakings, business, operations, activities, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of Pee Empro Exports Pvt Ltd, in relation to and pertaining to its 'Investments Business' and other related and ancillary activities on a going-concern basis, and shall include (without limitation):

1.1.7.1 Entire operations and activities of Investments Business of Pee Empro Exports Pvt Ltd and other related and ancillary activities.

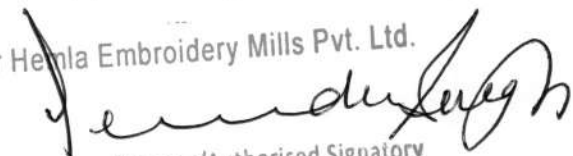
1.1.7.2 Land, building and all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of Investments Business (the Demerged Undertaking) of Pee Empro Exports Pvt Ltd wherever situated pertaining thereto.

1.1.7.3 All present and future liabilities (including contingent liabilities) arising out of the activities or operations of the Demerged Undertaking, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Demerged Undertaking.

1.1.7.4 Without prejudice to the generality of the above, Demerged Undertaking shall include in particular:

i. All properties, assets and investments of the Demerged Undertaking wherever situated including but not limited to land and building, land parcels, plant and machinery, work-in-progress, and other development, pertaining to the Demerged Undertaking.

For Pee Empro Exports Pvt Ltd  
  
 Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.  
  
 Director/Authorised Signatory

- ii. All rights, entitlements, benefits of all contracts, agreements, vendor codes, approved tenders, past experience and credentials, business track record, and all other rights including leasehold rights and tenancy rights, if any, goodwill, intellectual property rights along with copy right, design, patent, etc., investments, cash balances, the benefit of any deposit, financial assets, funds belonging to or proposed to be utilized for the Demerged Undertaking, bank balances and bank accounts relating to the day to day operations and specific to the working of the Demerged Undertaking; and all other fiscal and non-fiscal incentives, offset, credit, benefits and privileges which are available to or being availed by the Demerged Company or which the Demerged Company may be entitled to at any time for its Demerged Undertaking, shall be continued to be available in the Resulting Company for the Demerged Undertaking after the proposed demerger.
- iii. All statutory permissions, approvals, consents, licenses, registrations, permits, no objection certificates (NOCs), obtained or granted in relation to the Demerged Undertaking, or to carry out the activities of the Demerged Undertaking, or otherwise.
- iv. All tax credits/ incentives (including but not limited to credits/ incentives in respect of income tax, sales tax, value added tax, Goods and Service Tax, service tax, etc.), deferred tax benefits, advance tax, Minimum Alternate Tax, tax losses, unabsorbed depreciation, tax holidays and any other carry forwards, subsidies or benefits under various statutes and schemes of the government relating to the Demerged Undertaking.
- v. Powers and facilities of every kind, nature, and description whatsoever, rights to use and avail of telephones, mobile phones, internet, facsimile connections and installations, utilities, power and electricity connections, water and other services, and all other interests in connection with or relating to the Demerged Undertaking.
- vi. All contracts with customers and vendors, and other agreements in relation to the Demerged Undertaking.
- vii. All advances, deposits, balances, earnest moneys, fees, security deposits, bank guarantee, bank deposits, or any other payments; paid to or received from or deposited with any Government Department, Semi Government Department, other Authority, agency, private party customer, or any other person, by the Demerged Company in connection with or relating to the Demerged Undertaking.
- viii. All trademarks, service marks, patents and domain names, copyrights, industrial designs, product registrations and other intellectual property rights with goodwill including but not limited to all intellectual property rights and all other interests exclusively relating to the goods or services being dealt with by the Demerged Company with regard to the Demerged Undertaking, which shall not include any assets or liabilities relating to the Remaining Business of the Demerged Company.

For Pee Emprom Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

- ix. All books, records, files, papers, computer programs and IT Software along with their licenses, applications, licenses & subscriptions, manuals, data, back-up, copies, drawing, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records, whether in physical form or electronic form in connection with or relating to, directly or indirectly, the Demerged Undertaking.
- x. All duties and obligations, which are relatable to the Demerged Undertaking.
- xi. All the legal proceedings of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking.

1.1.7.5 For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Business include:

- a. The liabilities, which arise out of the activities or operations of the Demerged Undertaking.
- b. Specific loans and borrowings raised, incurred and utilized solely for the respective activities or operation of the Demerged Undertaking.
- c. General and/or multi-purpose corporate liabilities allocable to the Demerged Undertaking, in proportion to the assets of the Demerged Undertaking.

1.1.7.6 All employees, staff and workmen of the Demerged Company employed in or in relation to the Demerged Undertaking, as identified by the Board of Directors of the Demerged Company, as on the Effective Date.

1.1.7.7 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking, shall be decided by the Board of Directors of the Demerged Company.

Proforma Balance Sheet of the Demerged Undertaking of the Demerged Company is set out in Schedule-1.

**1.1.8 "Demerger"** means transfer and vesting of 'Investment Business and other ancillary activities' of Pee Empro Exports Pvt Ltd on a going-concern basis, by way of demerger into Hemla Embroidery Mills Pvt Ltd, in terms of this Scheme in its present form or with any modification(s) as approved by the Hon'ble National Company Law Tribunal or any other competent authority, as the case may be.

**1.1.9 "Effective Date"** means last of the dates on which the certified copies of the Order(s) passed by the Hon'ble National Company Law Tribunal, sanctioning the Scheme of Arrangement, are filed with the concerned Registrar of Companies, Ministry of Corporate Affairs. Any references in

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory



this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall be a reference to the Effective Date.

It is, however, clarified that though this Scheme will become operative from the Effective Date, the provisions of this Scheme will be effective from the Appointed Date. In other words, the effective date is only a trigger point for implementation of the Scheme. As soon as the effective date is achieved, provisions of this Scheme will come into operation; and will be effective and applicable with effect from the Appointed Date in terms of the provisions of Section 232(6) of the Companies Act, 2013, and other applicable provisions, if any.

- 1.1.10 "Encumbrance"** means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Laws; (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (c) any adverse claim as to title, possession or use.
- 1.1.11 "FEMA"** means the Foreign Exchange Management Act, 1999 along with the rules and regulations made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.
- 1.1.12 "Intellectual Property Rights"** means, whether registered or not, in the name of or recognized under Applicable Laws as being intellectual property of the Demerged Company or the Resulting Company or of the Demerged Undertaking of the Demerged Company, as the case may be, or in the nature of common law rights of the Demerged Company or the Resulting Company or of the Demerged Undertaking of the Demerged Company, as the case may be, all domestic and foreign (a) trademarks, service marks, brand names, internet domain names, websites, online web portals, trade names, logos, as well as copyright in all of the brands, logos and their variations, along with the global goodwill associated with the foregoing; uniforms, all applications and registration for the foregoing (b) confidential and proprietary information and trade secrets; (c) published and unpublished works of authorship and copyrights therein, and registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (d) computer software, programs (including source code, object code, firmware, operating systems and specifications) and processes; (e) designs, drawings, sketches; (f) tools, databases, frameworks, customer data, proprietary information, knowledge, any other technology or know-how, licenses, software licenses and formulas; (g) ideas and all other intellectual property or proprietary rights; and (h) all rights in all of the foregoing provided by Applicable Laws.
- 1.1.13 "IT Act"** means the Income Tax Act, 1961, and the rules made there under and shall include any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force.

For Pee Embroidery Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

**1.1.14 "National Company Law Tribunal"** means appropriate Bench/Benches of the Hon'ble National Company Law Tribunal constituted under the Companies Act, 2013, or such other court, tribunal, forum or authority having jurisdiction to sanction the present Scheme and other connected matters. The National Company Law Tribunal is hereinafter referred to as "the Tribunal"/"NCLT".

**1.1.15 "Record Date"** means the date(s) to be fixed by the Board of Directors of the Demerged Company or the Resulting Company, with reference to which the eligibility of the shareholders of Demerged Company shall be determined for allotment of shares in the Resulting Company on Demerger in terms of this Scheme; and other connected matters, if any.

**1.1.16 "Registrar of Companies"** means concerned Registrar(s) of Companies, Ministry of Corporate Affairs having jurisdiction under the Companies Act, 2013, and other applicable provisions, if any, on the respective Companies.

**1.1.17 "Remaining Business of the Demerged Company"** means all assets and liabilities including immovable property, undertakings, businesses, activities, operations, investments, cash and bank balances and intellectual property rights of the Demerged Company other than the Demerged Undertaking. Without prejudice to the generality of this Clause, the Remaining Business of the Demerged Company will include the following:

- i. manufacturing and export of readymade garments and other related activities being carried on by Pee Empro Exports Pvt Ltd along with all assets (whether movable or immovable, real or personal, corporeal or incorporeal, present future or contingent, tangible or intangible) of such Business.
- ii. All trademarks, service marks, patents and domain names, copyrights, industrial designs, product registrations and other intellectual property rights being used by Pee Empro Exports Pvt Ltd for its remaining business.

**1.1.18 "Resulting Company"** means **Hemla Embroidery Mills Pvt Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 14/6, Hemla Nagar, Mathura Road, Faridabad-121 003, Haryana; e-mail: [accounts@hemlaembroidery.com](mailto:accounts@hemlaembroidery.com); Website: [www.hemlaembroidery.com](http://www.hemlaembroidery.com).

The Resulting Company-Hemla Embroidery Mills Pvt Ltd [Corporate Identity No. (CIN): U74999HR1958PTC002248; Income Tax Permanent Account No. (PAN): AAACH4302B] was incorporated on 21<sup>st</sup> August, 1958, under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation issued by the Registrar of Companies, Punjab & Himachal Pradesh with the Registered Office of the Company situated in Faridabad. On creation of the State of Haryana pursuant to reorganisation of the State of Punjab, the Registered Office of the Company became part of the State of Haryana, and the Company came under the jurisdiction of the Registrar of Companies, NCT of Delhi and Haryana, New Delhi.

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

**1.1.19 "Scheme"** means the present Scheme of Arrangement framed under the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, together with Section 2(19AA) of the Income Tax Act, 1961, and other applicable provisions, if any, which provides for Demerger of the Demerged Undertaking of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd and various other matters incidental, consequential or otherwise integrally connected with the aforesaid Demerger, if any; in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of these Companies and/or by any competent authority and/or by the Hon'ble National Company Law Tribunal or that may otherwise be deemed fit by these Companies.

## 1.2 INTERPRETATION

Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, and if not defined therein then under the relevant Applicable Laws. In this Scheme, unless the context otherwise requires:

- i. References to "persons" shall include individuals, bodies corporate (wherever incorporated), un-incorporated entities, associations, partnerships and proprietorship.
- ii. Heading, sub-heading and bold typeface are only for convenience and shall not affect the construction or interpretation of this Scheme.
- iii. The term "Clause" refers to the specified Clause of this Scheme and includes sub-clause, proviso, explanation or foot note of the same.
- iv. References to one gender includes all genders.
- v. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- vi. Words denoting singular shall include the plural and vice-versa.
- vii. Reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time; and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision.
- viii. Unless otherwise defined, the reference to the word "days" shall mean calendar days.
- ix. References to dates and times shall be construed to be references to Indian dates and times.

## 1.3 SHARE CAPITAL

**1.3.1** The present Authorised Share Capital of the Demerged Company is ₹5,00,00,000 divided into 5,00,000 Equity Shares of ₹100 each. The

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present Issued, Subscribed and Paid-up Capital of the Company is ₹4,80,00,000 divided into 4,80,000 Equity Shares of ₹100 each.

**1.3.2** The present Authorised Share Capital of the Resulting Company is ₹50,00,000 divided into 50,000 Equity Shares of ₹100 each. The present Issued, Subscribed and Paid-up Capital of the Company is ₹45,00,000 divided into 45,000 Equity Shares of ₹100 each.

**1.3.3** The Demerged Company is a closely held private limited company. Whereas the Resulting Company is a subsidiary of the Demerged Company. The Demerged Company is holding 91% of the total issued and paid-up Equity Share Capital of the Resulting Company. Both the Companies are closely held un-listed Group Companies under common management and control.

#### **1.4 RATIONALE AND BENEFITS OF THE SCHEME**

The circumstances which justify and/or necessitate the proposed Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd; and benefits of the proposed Demerger of the Demerged Undertaking of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd, to the Shareholders and other stakeholders are, inter alia, given below:

- i. The Demerged Company-Pee Empro Exports Pvt Ltd is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade garments, the Company is also engaged in investment business and other ancillary activities. Thus, the Demerged Company has two business verticals-Garment Business and Investment Business.
- ii. Whereas the Resulting Company-Hemla Embroidery Mills Pvt Ltd is engaged in business of embroidery on fabric and other related activities. The Company is one of the leading players in schiffli embroidery. Catering to the needs of garment and fabric exporters for more than 50 years, it has one of the largest processing facilities in Northern India. The Resulting Company is a subsidiary of the Demerged Company. The Demerged Company is holding 91% of the total issued and paid-up Equity Share Capital of the Resulting Company.
- iii. To have complete focus on its core business activities of manufacturing and export of readymade garments and for other strategic reasons, the Demerged Company is proposing to hive off its Investments Business and consolidated the same into its Subsidiary Resulting Company.
- iv. The proposed Demerger will enable better management focus on the respective businesses. It will facilitate administrative convenience and will ensure optimum utilization of various resources in the Demerged Company and the Resulting Company.
- v. The proposed Demerger will enable the Demerged Company and the Resulting Company to hire suitable manpower, raise necessary funds, invite strategic investors and other stakeholders for their respective businesses.

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- vi. The proposed Demerger will provide scope for independent expansion of the respective businesses. It will strengthen, consolidate and stabilize the business of these Companies and will facilitate further expansion and growth of their business.
- vii. The proposed Demerger will have beneficial impact on the Demerged Company and the Resulting Company, their shareholders, employees, and other stakeholders and all concerned.

The Scheme of Arrangement is proposed for the aforesaid reasons. The Board of Directors and Management of the Demerged Company and the Resulting Company is of the opinion that the proposed Scheme is in the best interest of these Companies, their Shareholders and other stakeholders.

## **2. TRANSFEROR AND VESTING OF DEMERGED UNDERTAKING OF PEE EMPRO EXPORTS PVT LTD INTO HEMLA EMBROIDERY MILLS PVT LTD**

Upon the Scheme becoming effective and with effect from the commencement of business on the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the Demerged Undertaking of the Demerged Company, as defined in 'Sub-clause 1.1.7' of 'Clause-1.1: Definitions' of this Scheme, shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company, as a going concern, in the following manner:

- 2.1 The whole of the undertaking and properties of the Demerged Undertaking of the Demerged Company shall, without any further act or deed stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, pursuant to the provisions contained in Sections 230 and 232 of the Companies Act, 2013, and all other applicable provisions, if any, and so as to vest in the Resulting Company, for all rights, title and interest pertaining to the Demerged Undertaking of the Demerged Company.
- 2.2 All debts, liabilities, contingent liabilities, duties and obligations of every kind nature and description of the Demerged Company relating to the Demerged Undertaking (including non-convertible debentures pertaining to the Demerged Undertaking of the Demerged Company) shall also, under the provisions of Sections 230 and 232 and all other applicable provisions, if any, of the Companies Act, 2013, and without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company, so as to become the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. It is clarified that in case any debenture issued in the Demerged Company forms part of the Demerged Undertaking, the Resulting Company will issue equal number of debentures on the same terms and conditions in lieu of such debentures.
- 2.3 All licenses, permissions, approval, consents or NOCs given by various government and other competent authorities to the Demerged Company in relation to the Demerged Undertaking or otherwise held by the Demerged Company to implement/carry on the Demerged Undertaking shall stand vested in or transferred to the Resulting Company, without any further act or deed, and shall be appropriately mutated by the

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authorities concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, registration or other licenses, and consents shall vest in and become available to the Resulting Company, pursuant to the Scheme.

- 2.4 All the investments made by the Demerged Company in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other Companies, whether quoted or unquoted, or any ownership or stake held in any other entity, by whatever name called, forming part of the Demerged Undertaking, shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Sections 230 & 232 of the Act.
- 2.5 The transfer and vesting of the Demerged Undertaking, as aforesaid, shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof pertaining to the Demerged Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of Demerged Undertaking.
- 2.6 Without prejudice to the generality of the provisions contained in aforesaid Clauses, upon the Scheme becoming effective, the Demerged Company and Resulting Company will file requisite form(s) with the Registrar of Companies for creation, modification and/or satisfaction of charge(s), to the extent required, to give effect to the provisions of this Scheme.
- 2.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities, powers of attorneys given by, issued to or executed in favour of the Demerged Company with respect to the Demerged Undertaking and the rights and benefits under the same and all other interests of the Demerged Undertaking, be without any further act or deed, be transferred to and vested in the Resulting Company.
- 2.8 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/ or indirect, payable by or on behalf of the Demerged Undertaking of the Demerged Company from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refunds or claims (including refunds or claims pending with the Revenue Authorities), shall, for all purposes, be treated as the tax/ cess/ duty, liability, advance tax payment, tax deducted at source, refund or claim, as the case may be, of the Resulting Company. The Resulting Company is expressly permitted to claim refunds/ credits in respect of any transaction between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any.
- 2.9 Upon the Scheme becoming effective, all un-availed credits and exemptions, statutory benefits, including in respect of Income Tax (including MAT credit), CENVAT, Customs, VAT, Sales Tax, Service Tax, Goods and Services Tax, etc., relating to Demerged Undertaking to which the Demerged Company is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.

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- 2.10 Upon this Scheme becoming effective, the Demerged Company and the Resulting Company shall be entitled to file/revise income tax returns, TDS returns, TDS certificates, sales tax/ value added tax returns, service tax returns, GST returns and other statutory filings and returns for the period commencing on and from the Appointed Date, and to take all such steps that may be required to give effect to the provisions of this Scheme and/or required to claim refunds, depreciation benefits, advance tax credits, MAT credit, un-availed credits and exemptions, statutory benefits, etc., if any.
- 2.11 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including, without limitation income tax, service tax, GST, excise duty, applicable state value added tax etc.) to which Demerged Undertaking of the Demerged Company is entitled to in terms of applicable laws, shall be available to and vest in the Resulting Company from the Appointed Date.
- 2.12 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts of the Demerged Company, which are being operated exclusively in relation to or in connection with the Demerged Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertaking in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.
- 2.13 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Demerged Company in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain and operate the bank accounts in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company for presentation and, deposition of cheques and pay orders that have been issued in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the Effective Date.

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### 3. PERMISSIONS

All the statutory licenses, permissions, approvals and consents to carry on the operations of the Demerged Undertaking of the Demerged Company shall stand vested in and transferred to the Resulting Company without any further act or deed. Upon the vesting and transfer of the Undertakings pursuant to this Scheme, all the concerned Statutory Authorities shall promptly mutate all such licenses and permissions, etc., in favour of the Resulting Company. The benefit and obligations of all statutory and regulatory permissions, licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Resulting Company pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Demerged Company, in relation to the Demerged Undertaking, are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions.

### 4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Demerged Company, in relation to the Demerged Undertaking, is a party, subsisting or having effect on the Effective date, shall remain in full force and effect and shall stand assigned/novated in favour of the Resulting Company, may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, in relation to the Demerged Undertaking, the Resulting Company had been a party thereto.
- 4.2 It is expressly clarified that consent of the counterparties shall not be separately required for assignment of such contracts etc., in favour of the Resulting Company.
- 4.3 The Resulting Company shall be obligated to fulfill all the obligations and covenants of aforesaid contracts, deeds, bonds, agreements and instruments in relation to the Demerged Undertaking. The Resulting Company shall indemnify the Demerged Company against all third-party actions, suits, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including reasonable attorney fees) relating to or arising out of any actions, deeds undertaken with respect to the Demerged Undertaking.
- 4.4 It is clarified that after the Effective Date, the Resulting Company shall be entitled to claim all the goodwill, experience, past track record and credentials, etc., of the Demerged Company relating to the Demerged Undertaking. Accordingly, if for the purpose of entering into any contract, tenders, bid documents, expression of interest, memorandum of understanding, agreements or any other purpose, the Resulting Company is required to demonstrate experience, track record and credentials of the Demerged Undertaking, then the experience, track record and credentials gained by the Demerged Company in relation to the Demerged Undertaking would be considered to be equivalent as the experience, track record and credentials of the Resulting Company.

For Pee Empro Exports Pvt. Ltd.

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Director/Authorised Signatory

## 5. LEGAL PROCEEDINGS

- 5.1 All legal proceedings of whatever nature by or against the Demerged Company pending on the Effective Date, in relation to the Demerged Undertaking, shall not abate or be discontinued or be, in any way, prejudicially affected by reason of the Scheme or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company, in relation to the Demerged Undertaking, as if the Scheme had not been made.
- 5.2 The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company, in relation to the Demerged Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company, in relation to the Demerged Undertaking.
- 5.3 The Resulting Company undertakes to indemnify and save harmless the Demerged Company, to the fullest extent lawful from and against all third party actions, suits, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including reasonable attorney fees) relating to or arising out of, any act of commission or omissions of the Resulting Company (and its respective past, present and future affiliates, shareholders, partners, agents, directors, officers, employees, representatives, advisors, attorneys, successors, heirs, executors, administrators and assigns), relating to, or in pursuance of, or arising from:
  - a. The filing, approval and implementation of the actions contemplated in this Scheme, or
  - b. All legal proceedings in relation to the Demerged Undertaking whether subsisting on the Appointed Date or arising thereafter.

## 6. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Demerged Undertaking into the Resulting Company as above and the continuance of proceedings by or against the Resulting Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Demerged Undertaking, in respect thereto as done and executed on behalf of the Resulting Company.

## 7. CONDUCT OF BUSINESS OF THE DEMERGED UNDERTAKING BY THE DEMERGED COMPANY

From the Appointed Date until the Effective Date:

- i. The Demerged Company shall stand possessed of all the assets and properties of the Demerged Undertaking, in trust for the Resulting Company. Accordingly, any asset or property acquired by the Demerged Company pertaining to the Demerged Undertaking, on or after the Appointed Date, shall be deemed to be the assets and properties of the Resulting Company.

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

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- ii. The Demerged Company shall be deemed to have carried on business and activities of the Demerged Undertaking for and on behalf of and for the benefit and on account of the Resulting Company. Any income or profit accruing to the Demerged Company in relation to the Demerged Undertaking, and all costs, charges and expenses or loss arising or incurring by the Demerged Company, in relation to the Demerged Undertaking, on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Resulting Company.
- iii. Any of the rights, powers, authorities, privileges exercised by the Demerged Company, in relation to the Demerged Undertaking, shall be deemed to have been exercised by such Demerged Company for and on behalf of, and in trust for the Resulting Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Demerged Company, in relation to the Demerged Undertaking, shall be deemed to have been undertaken for and on behalf of the Resulting Company.
- iv. All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations which arise or accrue to the Demerged Company, on or after the Appointed Date, in relation to the Demerged Undertaking shall be deemed to be of the Resulting Company.
- v. The Demerged Company, in relation to the Demerged Undertaking shall not, without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the ordinary course of its business.

## 8. STAFF, WORKMEN AND EMPLOYEES

- 8.1 On the Scheme becoming effective, all staff, workmen and employees of the Demerged Company, employed in the activities relating to the Demerged Undertaking, in service on the Effective Date, shall become and deemed to have become staff, workmen and employees of the Resulting Company on and from such date without any break or interruption in their service and on the basis of continuity of service, and upon terms and conditions not less favorable than those applicable to them in the Demerged Company, in relation to the Demerged Undertaking, on the Effective Date.
- 8.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Undertaking, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company, in relation to the Demerged Undertaking, in relation to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to the Demerged Undertaking, will be treated as having been continuous for the purpose of the aforesaid funds or provisions.

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For Nemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory



## 9. REMAINING BUSINESS OF THE DEMERGED COMPANY

- 9.1 The Remaining Business of the Demerged Company and all the assets including immovable property, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 9.2 All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company.
- 9.3 With effect from the Appointed Date and including the Effective Date:
  - a. The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and its own behalf.
  - b. All profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

## 10. Issue of Shares by the Resulting Company

- 10.1 Upon the Scheme coming into effect and in consideration of Demerger and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company, in terms of this Scheme; the Resulting Company, shall, without any further application or deed, issue and allot Share(s), to the Shareholders of the Demerged Company whose names appear in the Register of Members as on the Record Date, in the following ratio:
  - a. The Resulting Company-Hemla Embroidery Mills Pvt Ltd will issue 283 (two hundred and eighty-three) Equity Shares of ₹100 each, credited as fully paid up, to the Equity Shareholders of the Demerged Company for every 1000 (one thousand) Equity Shares of ₹100 each held in the Demerged Company-Pee Empro Exports Pvt Ltd.
- 10.2 Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.
- 10.3 New Equity Shares to be issued by the Resulting Company in terms of Clause 10.1 above will be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company. New Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Resulting Company.
- 10.4 The issue and allotment of Equity Shares by the Resulting Company to the Equity Shareholders of the Demerged Company, as provided in this Scheme, is an integral part thereof. The Members of the Resulting Company, on approval of the Scheme, shall be deemed to have given

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Director/Authorised Signatory

their approval under Sections 42 and 62 of the Companies Act, 2013, and other applicable provisions, if any, for issue of fresh Shares to the Members of the Demerged Company in terms of this Scheme.

- 10.5 In the event there being any pending share transfer(s), the Board of Directors of the Demerged Company or any committee thereof, shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such transfer in the Demerged Company as if such changes in the registered holders were operative on the Record Date, in order to remove any difficulty arising on account of such transfer and in relation to shares to be issued to the shareholders of the Demerged Company pursuant to Clause 10.1 above.
- 10.6 Shares to be issued by the Resulting Company pursuant to this Scheme in respect of any shares of the Demerged Company, which are held in abeyance under the provisions of the Act or otherwise, shall be held in abeyance by the Resulting Company.
- 10.7 It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Resulting Company to the Shareholders of the Demerged Company will not apply to the share application money, if any, which may remain outstanding in the Demerged Company as on the record date.
- 10.8 It is clarified that in the event of any change in the capital structure of the Demerged Company or the Resulting Company such as share split or consolidation of shares, conversion of any instrument into equity shares, issue of bonus shares, rights issue or other similar action; or any material accounting changes at any time before the Record Date; the Share Exchange Ratio as specified in Clause 10.1 of this Scheme, will be suitably adjusted for such changes. Any such adjustment in the Share Exchange Ratio shall be deemed to be carried out as an integral part of this Scheme upon agreement in writing by the Board of Directors of the Demerged Company and the Resulting Company.

#### **11. UPON THIS SCHEME BECOMING FINALLY EFFECTIVE:**

- 11.1 Upon the Scheme coming into effect, cross holding of shares between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled. Further, any deficit arising on Demerger will be adjusted against General Reserves & Surplus of the Demerged Company and the Resulting Company, as the case may be, as mentioned in 'Clause 12: Accounting Treatment' of this Scheme.
- 11.2 The proposed cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, to account for Demerger in the books of the Demerged Company and the Resulting Company shall be affected as an integral part of the Scheme only. Approval of this Scheme by the Shareholders and/or Creditors of the Demerged Company and the Resulting Company and sanction by the Tribunal under Sections 230 and 232 of the Companies Act, 2013, shall be sufficient compliance with the provisions of Section 66 of the Companies Act, 2013, and other applicable provisions, if any, for the aforesaid matters.
- 11.3 It is, however, clarified that the aforesaid cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, do not involve either the diminution of any liability in respect of un-

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paid share capital, or payment to any shareholder of any paid-up share capital. None of the Demerged Company and the Resulting Company is proposing any buy-back of shares from their respective shareholders. Accordingly, none of the Demerged Company and the Resulting Company will be required to use the words "and reduced" as part of their respective corporate names upon sanction of the Scheme.

- 11.4 It is further clarified that no creditor of the Demerged Company and the Resulting Company will be adversely affected by the proposed cancellation of cross holding of shares and utilisation of General Reserves & Surplus, as the case may be, in the books of the Demerged Company and the Resulting Company.
- 11.5 The Demerged Company and the Resulting Company will increase/modify their respective Authorized Share Capital in compliance with the Companies Act, 2013, and other applicable provisions, if any, to the extent necessary to implement the terms of this Scheme. It is, however, clarified that approval of the present Scheme of Arrangement by the Shareholders of the Demerged Company and the Resulting Company will be sufficient for such modification/increase in the authorised share capital and no further approval from the Shareholders or any other person will be required for the same.

## 12. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, Demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company; and other matters contained in this Scheme, if any, will be accounted for in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles.

The Demerged Company and the Resulting Company will, accordingly, give effect of the proposed Demerger and other matters contained in this Scheme in their respective books of accounts in accordance with the applicable provisions of the Companies Act, 2013, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and Generally Accepted Accounting Principles.

Without prejudice to the generality of the aforesaid, following are the salient features of the accounting treatment to be given:

### 12.1 In the books of the Demerged Company

- i. All the assets and liabilities pertaining to the Demerged Undertaking, which cease to be the assets and liabilities of the Demerged Company on Demerger pursuant to this Scheme, will be reduced from the books of accounts of the Demerged Company at their respective carrying values as on the Appointed Date.
- ii. Cross holding of shares between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled. Further, to the extent, there are any other inter-corporate loans, advances or any other payable/receivable balances between the Demerged Undertaking of the Demerged Company and the Resulting Company, the rights and obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Demerged Company.

For Pee Empro/Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

- iii. Any deficit arising out of Demerger (being excess of assets over liabilities pertaining to the Demerged Business) will be adjusted against General Reserve & Surplus, in the books of the Demerged Company. Whereas any surplus arising out of Demerger (being excess of liabilities over assets pertaining to the Demerged Business) will be credited to Capital Reserve in the books of the Demerged Company.

#### 12.2 In the books of the Resulting Company

- i. The Resulting Company will record the assets and liabilities pertaining to the Demerged Undertaking vested in it on Demerger pursuant to this Scheme, at their respective carrying values as appearing in the books of the Demerged Company as on the Appointed Date.
- ii. Cross holding of shares between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled. Further, to the extent, there are any other inter-corporate loans, advances or any other payable/receivable balances between the Demerged Undertaking of the Demerged Company and the Resulting Company, the rights and obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Resulting Company.
- iii. The Resulting Company will credit to the Share Capital Account, in the books of accounts, the aggregate face value of the new Shares to be issued by it to the Shareholders of the Demerged Company pursuant to Clause 10.1 of the Scheme.
- iv. Any deficit arising out of Demerger (including on account of cancellation of cross holdings as mentioned in 'Clause ii.' above) and after taking into account the aggregate face value of new Shares to be issued by the Resulting Company on Demerger, will be adjusted against General Reserve & Surplus, in the books of the Resulting Company. Whereas any surplus arising out of Demerger (including on account of cancellation of cross holdings as mentioned in 'Clause ii.' above) and after taking into account the aggregate face value of new Shares to be issued by the Resulting Company on Demerger, will be credited to Capital Reserve in the books of the Resulting Company.

- 12.3 It is, however, clarified that the Board of Directors of the Demerged Company and the Resulting Company, in consultation with their respective Statutory Auditors, may account the present Demerger and other connected matters in such manner as to comply with the provisions of Section 133 of the Companies Act, 2013, the applicable Accounting Standard(s), Generally Accepted Accounting Principles and other applicable provisions, if any.

### 13. APPLICATION/PETITION TO THE NATIONAL COMPANY LAW TRIBUNAL

- 13.1 The Demerged Company will make the requisite application(s)/petition(s) under the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

applicable provisions, if any, to the appropriate Bench of the Hon'ble National Company Law Tribunal and other competent authorities, if any, for sanctioning of this Scheme and other connected matters.

- 13.2 The Resulting Company will make the requisite application(s)/ petition(s) under the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, to the appropriate Bench of the Hon'ble National Company Law Tribunal and other competent authorities, if any, for sanctioning of this Scheme and other connected matters.

#### 14. COMPLIANCE WITH TAX LAWS

- 14.1 The Demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company will comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961 and other applicable provisions, if any.
- 14.2 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income Tax Act, 1961 and other applicable provisions, if any. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions later, whether because of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Demerged Company and/or the Resulting Company, which power can be exercised at any time and shall be exercised in the best interests of the Companies and their shareholders.

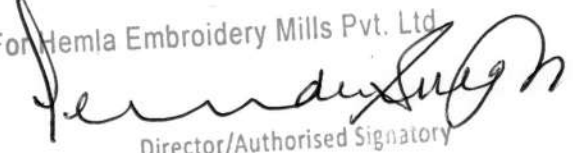
#### 15. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 15.1 The Demerged Company and the Resulting Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Tribunal and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 15.2 In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Demerged Company may give and is authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.

#### 16. SEVERABILITY

If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the consent of the Board of Directors of the Demerged Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this scheme.

For Pee Empro Exports Pvt. Ltd.  
  
 Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.  
  
 Director/Authorised Signatory

**17. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses incurred in relation to or in connection with this Scheme or incidental to the completion of the Demerger in pursuance of this Scheme, shall be borne and paid by the Demerged Company and the Resulting Company in equal proportion. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the Demerger exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

**Legal Advisors to the Scheme:*****Rajeev Goel & Associates****Advocates and Solicitors**785, Pocket-E, Mayur Vihar-II**Delhi-Meerut Expressway/NH-9**Delhi 110 091**Mobile: 93124 09354**e-mail: [rajeev391@gmail.com](mailto:rajeev391@gmail.com)**Website: [www.rgalegal.in](http://www.rgalegal.in)*

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

**Schedule-1 to the Scheme of Arrangement**

**Proforma Balance Sheet of the Demerged Undertaking of Pee Empro Exports Pvt Ltd to be Demerged into Hemla Embroidery Mills Pvt Ltd**

**As on 30<sup>th</sup> September, 2023**

<b>Particulars</b>	<b>Amount ( ₹ )</b>
<b>ASSETS</b>	
<b>Non-current Assets</b>	
Fixes Assets	26,22,32,881
<b>Non-current Investments</b>	88,27,76,795
Long Term Loans and Advances	-
Other Non-current Assets	30,02,214
<b>Total Assets (A)</b>	<b>1,15,37,01,890</b>
<b>LIABILITIES</b>	
Non-current Liabilities	-
Current Liabilities	65,09,679
<b>Total Liabilities (B)</b>	<b>65,09,679</b>
<b>Net Assets [A-B] (C)</b>	<b>1,14,71,92,211</b>

For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory



# MALLIKA GOEL

## Registered Valuer

(Securities or Financial Assets)

Registration No. IBBI/RV/11/2022/14784

To,

**Pee Empro Exports Pvt Ltd**

Plot No. 78, Sector-27A, Main  
Mathura Road, Faridabad-121 003,  
Haryana

**Hemla Embroidery Mills Pvt Ltd**

14/6, Hemla Nagar, Mathura Road,  
Faridabad-121 003, Haryana

**Sub: Report on Valuation of Shares and Share Exchange Ratio for the purpose of the proposed Scheme of Arrangement of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd**

Dear Sirs,

**Preamble:** There is a proposal for Demerger of Investment Business and other ancillary activities (hereinafter referred to as **"the Demerged Business"**) of Pee Empro Exports Pvt Ltd (hereinafter referred to as **"the Demerged Company"**) into Hemla Embroidery Mills Pvt Ltd (hereinafter referred to as **"the Resulting Company"**); to be implemented through a Scheme of Arrangement under the provisions of the Companies Act, 2013, and other applicable provisions, if any (hereinafter referred to as **"the Proposed Scheme"**). I have been engaged to carry out the valuation exercise and to advise share swap ratio for the Proposed Scheme.

The Board of Directors of Pee Empro Exports Pvt Ltd and Hemla Embroidery Mills Pvt Ltd (hereinafter collectively referred to as **"the Companies"**), in their meetings held on 4<sup>th</sup> November, 2023, have appointed me as the Valuer in connection with the Proposed Scheme.

I, accordingly, report as under:

### 1. Objective:

The objective of the present valuation process is to carry out the valuation exercise and to advise share swap ratio in connection with the demerger of Demerged Business of Pee Empro Exports Pvt Ltd into Hemla Embroidery Mills Pvt Ltd, in terms of the aforesaid Proposed Scheme.

### 2. Disclosure regarding identity and interest of the Valuer:

The Valuer – Ms Mallika Goel, having her office at 589, Pocket-E, Mayur Vihar Phase II, Delhi-110091, is a Registered Valuer in respect of Securities or Financial Assets duly registered with the Insolvency and Bankruptcy Board of India (IBBI) vide Registration No. IBBI/RV/11/2022/14784. The Valuer is hereinafter referred to as **"the Registered Valuer"**.

The Registered Valuer does not have any conflict of interest in the present valuation exercise as she does not hold any share or other pecuniary interest in any of the Companies under the valuation except fee or any other payment received/to be received for carrying out any professional services, if any. The Registered Valuer is not associated with the management of the Companies, which are subject matter of the present valuation, their promoters or any other group company in any way other than in professional capacity, if any.

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Mobile: 9044297143, 8707864892

Email: goelmallika9@gmail.com

The Registered Valuer has no current or expected interest in the Company or its assets and there is no conflict of interest among the Registered Valuer and the Companies under the valuation exercise or their Management. Prior to accepting this engagement, Registered Valuer has considered her independence.

The fees paid for the services in no way influenced the results of the analysis.

### 3. Source of Information

In connection with preparing this Valuation Report, I have received the following information from the management of the Companies:

- a. Audited Financial Statements of the Companies for the Financial Year ended 31<sup>st</sup> March, 2023;
- b. Un-audited Provisional Financial Statement of the Companies for the period ended 30<sup>th</sup> September, 2023;
- c. Proforma Balance Sheet of the Demerged Business of the Demerged Company as on 30<sup>th</sup> September, 2023.
- d. Memorandum and Articles of Associations along with the Certificate of Incorporation of the Companies;
- e. Note on the business activities of the Companies;
- f. List of Shareholders of the Companies;
- g. Proposed Draft Scheme of Arrangement.

During the valuation exercise, I had various discussion with the Management of the Companies on the subject matter. I have also relied on various secondary research, market data and such other analysis, reviews and enquiries, as I considered relevant.

The **valuation cut-off date** for the present valuation is **30<sup>th</sup> September, 2023**.

### 4. Scope/Limitation:

The Valuation exercise carried out by me does not constitute an audit carried out in accordance with Generally Accepted Accounting Principles/Auditing Standards. Accordingly, I do not express any opinion on the financial statements, assumptions underlying such financial statements and representations of management included in the Valuation Report. I do not provide any assurance that the financial information or assumptions, upon which these have been based, are accurate.



The present exercise is limited to carry out the valuation exercise and to advise share exchange ratio in connection with the Proposed Scheme and does not necessarily constitute an enterprise valuation of these Companies. In carrying out the valuation, I have entirely relied upon the financial statements of the concerned Companies, assumptions and other information, documents & explanations provided by the management and discussions with the management from time to time regarding operations of these Companies.

#### **5. Caveats, Limitations, and Disclaimers:**

This Report is a private and confidential document prepared under the specific instructions of the client(s). It is for the internal use of the client(s) and their shareholders/creditors and is not meant for external circulation except to any statutory agency or competent authority for the purpose of the Proposed Scheme. Any person making any investment or taking other decision on reliance of this report will be doing so at its/ his sole risk. I shall not be responsible for any decision taken by anybody on reliance of this report, in particular for the purpose other than the Proposed Scheme.

While my work involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of the Companies/their representative. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

The valuation of Companies and businesses is not a precise science and the conclusions arrived at, in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and I normally express my opinion on the value as falling within a likely range. The object of the present valuation exercise is to determine the share exchange ratio for the purpose of the Proposed Scheme, I have determined the relative value to determine the share exchange ratio.

The ultimate analysis has been tempered by the exercise of judicious discretion by me and judgment considering the relevant factor. There will always be several factors, e.g., management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the face of the financial statements, but could strongly influence the value.

In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the Companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Companies.





My report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

## **6. Compliance with the Rules and Standards:**

While carrying out the present valuation exercise, I have relied on relevant provisions of the Companies Act, 2013; the Companies (Registered Valuers and Valuation) Rules, 2017; the International Valuation Standards (IVS), the Guidelines on Use of Caveats, Limitations and Disclaimers by the Registered Valuers in Valuation Reports (issued by IBBI); and other provisions to the extent relevant/applicable.

The present Valuation Report complies with the Companies (Registered Valuers and Valuation) Rules, 2017; the International Valuation Standards (IVS), and other applicable provisions, if any.

## **7. Brief Profile of the Companies:**

### **7.1 Demerged Company: Pee Empro Exports Pvt Ltd**

- a. **Pee Empro Exports Pvt Ltd** [Corporate Identity Number (CIN): U74899HR1980PTC115338; Income Tax Permanent Account No. (PAN): AAACP3293P] (hereinafter referred to as “the Demerged Company/the Company”) was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 18<sup>th</sup> June, 1980, issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Registered Office of the Company was shifted from the NCT of Delhi to the State of Haryana as approved by the Hon'ble Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, vide Order dated 19<sup>th</sup> September, 2023. The Registrar of Companies, NCT of Delhi & Haryana, New Delhi registered the aforesaid Order and allotted a new CIN to the Company.

- b. The present registered office of the Demerged Company is situated at Plot No. 78, Sector-27A, Main Mathura Road, Faridabad-121 003, Haryana.
- c. The present authorized share capital of the Demerged Company is ₹5,00,00,000 divided into 5,00,000 Equity Shares of ₹100 each. The present paid-up share capital of the Demerged Company is ₹4,80,00,000 divided into 4,80,000 Equity Shares of ₹100 each.
- d. The Demerged Company is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade



garments, the Company is also engaged in investment business and other ancillary activities.

## **7.2 The Resulting Company: Hemla Embroidery Mills Pvt Ltd**

- a. **Hemla Embroidery Mills Pvt Ltd** [Corporate Identification No. (CIN): U74999HR1958PTC002248; Income Tax Permanent Account No. (PAN): AAACH4302B] (hereinafter referred to as “the Resulting Company/the Company”) was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 21<sup>st</sup> August, 1958 issued by the Registrar of Companies, Punjab & Himachal Pradesh. Since the registered office of the Company was situated in Faridabad, the Company came into the jurisdiction of the Registrar of Companies, NCT of Delhi and Haryana, New Delhi on bifurcation of the State of Punjab into two separate States of Punjab and Haryana.
- b. The present registered office of the Resulting Company is situated at 14/6, Hemla Nagar, Mathura Road, Faridabad-121 003, Haryana.
- c. The present authorized share capital of the Resulting Company is ₹50,00,000 divided into 50,000 Equity Shares of ₹100 each. The present issued, subscribed and paid-up share capital of the Resulting Company is ₹45,00,000 divided into 45,000 Equity Shares of ₹100 each.
- d. The Resulting Company is engaged in business of embroidery on fabric. The Company is one of the leading companies in schiffli embroidery. Catering to the needs of garment and fabric exporters for more than 50 years, it has one of the largest processing facilities in Northern India.

## **8. Valuation approach and methodologies:**

- 8.1 There are a number of techniques/methods for Valuation of Shares. According to various judicial precedents the valuation of shares is a technical matter, which requires considerable skill and expertise. There are bound to be differences of opinion as to the correct value of the shares of the Company. Simply because it is possible to value the shares in a manner different from the one adopted in a given case, it cannot be said that the valuation agreed upon has been unfair.

### **8.2 Approach and methodology as per Valuation Standards:**

- A. The International Valuation Standards (IVS) provides that consideration must be given to the relevant and appropriate valuation approaches. One or more valuation approaches may be used in order to arrive at the value in accordance with the basis of value. The three approaches described and defined below are the main approaches used in valuation. They are all based on the economic principles of price equilibrium, anticipation of benefits or substitution.



**B.** The principal valuation approaches are:

- i. market approach
- ii. income approach, and
- iii. cost approach.

Each of these valuation approaches includes different, detailed methods of application.

The goal in selecting valuation approaches and methods for an asset/enterprise is to find the most appropriate method under the particular circumstances and inter-alia, considering the objectives and the intended use of the valuation report.

### **I. Market approach**

**(a) Comparable Transactions Method:** The comparable transactions method, also known as the guideline transactions method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the prior transaction's method.

If few recent transactions have occurred, the valuer may consider the prices of identical or similar assets that are listed or offered for sale, provided the relevance of this information is clearly established, critically analysed and documented. This is sometimes referred to as the comparable listing's method.

**(b) Guideline publicly-traded comparable method:** The guideline publicly-traded method utilises information on publicly-traded comparable that are the same or similar to the subject asset to arrive at an indication of value.

This method is similar to the comparable transaction method. However, there are several differences due to the comparable being publicly traded, as follows: (a) the valuation metrics/comparable evidence are available as of the valuation date, (b) detailed information on the comparable are readily available in public filings, and (c) the information contained in public filings is prepared under well understood accounting standards.

The method should be used only when the subject asset is sufficiently similar to the publicly-traded comparable to allow for meaningful comparison.

**(c) Value based on market quotes as available from recognized stock exchange:** In case of valuation of shares of a company which



is listed and traded on the stock exchanges, the market price of such shares is also considered to arrive at the fair value of the shares. Generally, an average market price of the listed shares for a reasonably past period is taken.

## **II. Income Approach**

- (a) **Discounted Cash Flow (DCF) Method:** Under the DCF method the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset. In some circumstances for long-lived or indefinite-lived assets, DCF may include a terminal value which represents the value of the asset at the end of the explicit projection period. In other circumstances, the value of an asset may be calculated solely using a terminal value with no explicit projection period. This is sometimes referred to as an income capitalisation method.
- (b) **Other Income Approach methods:** In certain transactions and circumstances, other income approach methods like Profit Earning Capacity (PECV) Method can also be applied. PECV method focuses on the future earning capability of the business enterprise, based on the past income generated by the Company. The PECV Method requires the determination of parameters like, future maintainable profit, appropriate income tax rate, expected rate of returns etc. the value is determined by capitalizing the future maintainable profits.

## **III. Cost Approach**

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

The cost approach should be applied and afforded significant weight under the following circumstances:

- (a) participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- (b) the asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or,





- (c) the basis of value being used is fundamentally based on replacement cost, such as replacement value.

Broadly, there are three cost approach methods: (a) replacement cost method: a method that indicates value by calculating the cost of a similar asset offering equivalent utility, (b) reproduction cost method, a method under the cost that indicates value by calculating the cost to recreating a replica of an asset, and (c) summation method: a method that calculates the value of an asset by the addition of the separate values of its component parts.

**C.** No one method is suitable in every possible situation. The selection process should, inter-alia, consider:

- i. the appropriate basis(es) of value and premise(s) of value, determined by the terms and purpose of the valuation assignment,
- ii. the respective strengths and weaknesses of the possible valuation approaches and methods,
- iii. the appropriateness of each method in view of the nature of the asset, and the approaches or methods used by participants in the relevant market, and
- iv. the availability of reliable information

**D.** Valuers are not required to use more than one method for the valuation, particularly when the valuer has a high degree of confidence in the accuracy and reliability of a single method, given the facts and circumstances of the valuation engagement. However, valuers should consider the use of multiple approaches and methods and more than one valuation approach or method should be considered and may be used to arrive at an indication of value, particularly when there are insufficient factual or observable inputs for a single method to produce a reliable conclusion. Where more than one approach and method are used, or even multiple methods within a single approach, the conclusion of value based on those multiple approaches and/or methods should be reasonable and the process of analysing and reconciling the differing values into a single conclusion, without averaging, should be described by the valuer in the report.

**E.** While the valuation standard includes discussion of certain methods within the cost, market and income approaches, it does not provide a comprehensive list of all possible methods that may be appropriate. It is the valuer's responsibility to choose the appropriate method(s) for each valuation engagement. Compliance with IVS may require the valuer to use a method not defined or mentioned in the IVS.

**8.3** In the cases of transactions of the nature of merger or amalgamation; or amalgamation between companies; or merger or demerger of businesses;



the consideration is often discharged primarily by issue of securities in the nature of equity of the acquirer or transferee entity with reference to an exchange ratio or entitlement ratio, considering the comparable and relative values. Such relative values are arrived at by applying an appropriate valuation approach or a combination of valuation approaches. If a combination of valuation approaches or methodologies is adopted, appropriate weightages are assigned to arrive at a single value. Relative values are usually derived by using similar valuation approaches, methodologies and weightages. Use of different methodologies or approaches may be justified in some circumstances, e.g., merger of a listed company and an unlisted company where market price method would be relevant only for the listed company. It further provides that the Valuation base selected by a valuer shall be appropriate considering the purpose of engagement and the terms of the engagement. The valuer will use the relevant valuation approach and adhere to other assumptions associated with the valuation bases.

- 8.4** Unlike merger/ amalgamation, there is no prescribed method or guidelines for determining share exchange ratio for demerger. In fact, as per several judicial precedents, in case of demerger, no formal Share Valuation is required.
- 8.5** Section 2(19AA) of the Income Tax Act, 1961, provides that in case of a demerger, assets and liabilities of demerged business have to be transferred to the resulting company, in compliance to the Indian Accounting Standards specified in Annexure to the Companies (Indian Accounting Standards) Rules, 2015. Section 2(19AA) further provides that the Resulting Company must issue, in consideration of the demerger, its shares to the shareholders of the Demerged Company on a proportionate basis.
- 8.6** Since the Companies are closely held companies, under the common management and control, the general public will not be affected by the proposed share exchange ratio.
- 8.7** Considering all facts and circumstances, the valuation of the Resulting Company and the Demerged Business of the Demerged Company has been carried on the basis of net asset value/ book value as on the Valuation Cut-Off Date, 30<sup>th</sup> September, 2023. Save as explained below, the share exchange ratio has been calculated based on the Net Asset Value on the basis of the Financial Statements for the period ended 30<sup>th</sup> September, 2023.

The Demerged Company is holding 40,950 equity shares, constituting 91% of the total equity share capital of the Resulting Company. It has been confirmed that the said investment of the Demerged Company is a part of the Demerged Business.

After considering all the facts and circumstances, I am of the view that in respect of the shareholding of the Demerged Company in the



Resulting Company, which would get cancelled as crossholding, it would be most appropriate that the same number of shares of the Resulting Company be issued to the shareholders of the Demerged Company, on proportionate basis.

In respect of other assets and liabilities of the Demerged Business, net asset value of the Demerged Business has been calculated, excluding the Value of investment in the Resulting Company.

The final share exchange ratio has been determined as under:

$$\frac{[\text{Number of Equity Shares entitled to the Shareholders of Demerged Company in Resulting Company against the NAV (excluding the investment in the Resulting Company)} + [\text{Number of shares already held by the Demerged Company in the Resulting Company}]]}{\text{Total Number of outstanding Equity Shares in the Demerged Company}}$$

**8.8** The management of the Companies have confirmed that the crossholding between the Demerged Company and the Resulting Company, as mentioned above, shall not change during the implementation of the Proposed Scheme and further till the allotment of shares post-Scheme.

**9. Share Exchange Ratio for the Proposed Scheme:**

On the basis of valuation exercise and after rounding off, I recommend the following Share Swap Ratio for the purpose of the Proposed Scheme:

- The Resulting Company - Hemla Embroidery Mills Pvt Ltd will issue 283 (two hundred and eighty-three) Equity Shares of ₹100 each, credited as fully paid up, to the shareholders of the Demerged Company, for every 1000 (one thousand) Equity Shares of ₹100 each held in the Demerged Company – Pee Empro Exports Pvt Ltd.

Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest whole number.

Separate workings of Valuation of Shares are enclosed herewith.

Thanking you

**Mallika Goel**

**Registered Valuer in respect of Securities or Financial Assets**

**IBBI Registration No.: IBBI/RV/11/2022/14784**

**CoP No.: DJVF/RVO/129/SFA**

**Date:** 12<sup>th</sup> December, 2023

**Place:** Delhi



**Hemla Embroidery Mills Pvt Ltd**  
**Resulting Company**

**Calculation of Net Asset Value**  
**(As on 30th September, 2023)**

<b>Particulars</b>	<b>Amount (₹)</b>
<b>Non-current Assets</b>	
Fixes Assets	30,30,57,468
Deferred Tax	70,87,817
Long Term loans and advances	2,61,34,330
Other Non-current Assets	36,51,427
Non-current Investments	-
<b>Current Assets</b>	
Current Investments	-
Non-current Assets	28,68,69,093
<b>Total Assets (I)</b>	<b>62,68,00,134</b>
Less:	
Non-current Liabilities	6,70,65,878
Current Liabilities	1,71,70,593
<b>Total Liabilities (II)</b>	<b>8,42,36,471</b>
<b>Net Asset Value (NAV) [I-II]</b>	<b>54,25,63,663</b>
Number of Equity Shares (Face Value ₹100 each)	45,000
<b>NAV per Equity Share (₹)</b>	<b>12,056.97</b>





**Pee Empro Exports Pvt Ltd**  
**Demerged Company**

**Calculation of Net Asset Value**  
**(As on 30th September, 2023)**

Particulars	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
	Entire Company	Demerged Business	Remaining Business
<b>Non-current Assets</b>			
Fixes Assets	1,17,94,59,152	26,22,32,881	91,72,26,271
<b>Non-current Investments</b>			
<b>40,950 Equity Shares of Rs. 100 each of the Resulting Company - Hemla Embroidery Mills Pvt Ltd</b>	<b>56,90,000</b>	<b>56,90,000</b>	-
Other Non-current Investments	88,27,76,795	88,27,76,795	-
Long Term Loans and Advances	21,88,38,419	-	21,88,38,419
Other Non-current Assets	95,96,42,135	30,02,214	95,66,39,921
<b>Total Assets (A)</b>	<b>3,24,64,06,501</b>	<b>1,15,37,01,890</b>	<b>2,09,27,04,611</b>
Less:			
Non-current Liabilities	94,77,231	-	94,77,231
Current Liabilities	40,91,02,670	65,09,679	40,25,92,991
<b>Total Liabilities (B)</b>	<b>41,85,79,901</b>	<b>65,09,679</b>	<b>41,20,70,222</b>
<b>Net Asset Value (NAV) [A-B]</b>	<b>2,82,78,26,600</b>	<b>1,14,71,92,211</b>	<b>1,68,06,34,389</b>



<b>Calculation of Share Exchange Ratio</b>	
Net Asset Value of Investments in 40,950 Equity Shares of Rs. 100 each of the Resulting Company - Hemla Embroidery Mills Pvt Ltd (Rs.) [C]	56,90,000
Net Asset Value of the Demerged Business (Except the value of Investments in the Resulting Company - Hemla Embroidery Mills Pvt Ltd) (Rs.) [D]	1,14,15,02,211
Total Number of Equity Shares of Rs. 100 each of the Resulting Company entitlement to the Equity Shareholders of the Demerged Company against the value of [C] above [E]	40,950
Total Number of Equity Shares of Rs. 100 each of the Resulting Company entitlement to the Equity Shareholders of the Demerged Company against the value of [D] above [F=D divided by NAV per Equity Share of the Resulting Company - Hemla Emproidery Mills Pvt Ltd]	94,676
Total Number of Equity Shares of Rs. 100 each of the Resulting Company entitlement to the Equity Shareholders of the Demerged Company against the value of [C+D] above [G]	1,35,626
Number of outstanding equity shares of Rs. 100 each in the Demerged Company [H]	4,80,000
<b>Share Exchange ratio (number of shares to be issued by the Resulting Company to the Equity Shareholders of the Demerged Company)</b>	<b>Equity Shares of Rs. 100 each</b>
Exchange factor [G/H]	0.283
<b>Exchange Ratio for every 1000 equity shares</b>	<b>283</b>





**Krishan K. Gupta & Co.**  
Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
**PEE EMPRO EXPORTS PRIVATE LIMITED**  
New Delhi

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

##### Opinion

We have audited the financial statements of **PEE EMPRO EXPORTS PRIVATE LIMITED**, ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows 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, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and profit, and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of Matter

The management of the company has intimated that there is no impact of COVID-19 on the performance and assets of the company.

##### 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.

##### Information Other than the Financial Statements and Auditor's 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 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 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.

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Website: www.krishankguptaco.ical.org.in

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For PEE EMPRO EXPORTS Pvt. Ltd.

Director/Authorised Signatory

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 no 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 Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 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.

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

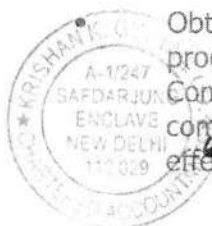
### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 scepticism 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.



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For Pee Empro Exports Pvt. Ltd.

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Director/Authorised Signatory



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- 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.

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

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

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

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

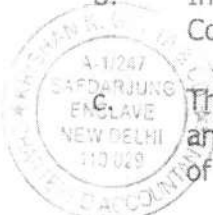
#### **Report on Other Legal and Regulatory Requirements**

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, we give in the "Annexure 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

The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



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For Pee Empor Exports Pvt. Ltd.

..... 4

Director/Authorised Signatory

- d. In our opinion, the aforesaid 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long-term contracts including derivative contracts.
- ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(K.K. GUPTA)

Prop.

M. No. 8311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFTW1699

Place: New Delhi

Dated: 02-08-2023



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

**Annexure A to the Independent Auditor's Report****AUDITOR'S REPORT AS PER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020:**

1.
  - a. The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - b. As explained to us, property, plant and equipment have been physically verified by the management at reasonable interval no material discrepancies were noticed on such verification.
  - c. The company holds immovable property disclosed in the financial statements are held in the name of the company.
  - d. The Company has not revalued its Property, Plant and Equipment during the year.
  - e. No proceeding has been initiated against the Company for holding any Benami property under Benami Transactions (Prohibition) Act 1988.
2.
  - a. Inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
  - b. The Company has borrowings from the bank on the basis of security of current assets.
3. The company has granted unsecured loans, but not provided guarantee and made investments in its wholly owned subsidiary i.e related party which is covered under register maintained under section 189 of the Companies Act, 2013
4. In respect of loans, investments and guarantees made provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The Company has not accepted deposits within the meaning of Rule 2 (c) (xii) (a) of Companies (Acceptance of Deposit) Rules, 2015 or any such amount which are deemed to be deposits.
6. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 in respect of products of the Company covered under the rules under said section have been made and maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
7. According to information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, custom duty, goods cess, other statutory dues and interest/ penalty towards delayed payment of dues to the extent applicable to it.

According to the information and explanations given to us, there were no undisputed amounts which were outstanding as at 31 March 2023 for a period of more than six months from the date of becoming payable.

No transaction has been surrendered or disclosed as income during the year in tax assessment under Income Tax Act, 1961 which had not been recorded in the books of account of the year.

For Pee Empro Exports Pvt. Ltd.

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Director/Authorised Signatory

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9.
  - a. Based on our audit procedures and as per the information's and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to any bank or other quarter on account of principal loan or interest.
  - b. Company has not been declared a wilful defaulter by any bank or financial institution or other lenders.
  - c. No term loan has been availed by the company from any quarter.
  - d. No fund raised on short term basis has been found to have been utilised for long term purpose.
  - e. Company has two owned subsidiary companies in the name of Creative Dying & Finishing Mills Pvt. Ltd & Hemla Embroidery Mills Pvt. Ltd. The company has no other joint venture or associate company with consequent non applicability of this clause with the company.
10.
  - a. The Company has raised no money by way of IPO or Further Public Offer including debt instruments during the year.
  - b. The Company has not made any preferential allotment of shares during the year.
11.
  - a. No fraud by the company or on the company has been noticed or reported during the year.
  - b. No report under section 143 (12) of Companies Act 2013 has been filed by us during the year.
  - c. We have received no whistle-blower complaint during the year.
12. The Company is not a Nidhi Company. Accordingly paragraph 3 (xii) of the Order is not applicable.
13. There has been no transactions with any related party covered under section 188 of the Companies Act, 2013. All the transactions with the related parties are in compliance with Section 177 of the Companies Act, 2013 and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
14. The company is stated to have an internal audit system commensurate with the size and nature of its business.
15. The company has not entered into any non-cash transaction with directors or persons connected with him.
16.
  - 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 financial activities during the year.

Company is not a Core Investment Company (CIC).

The company does not belong to any group which has a CIC as its member.

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



81

17. The company has not incurred any cash losses in the financial year 2022-23 and in the immediately preceding financial year in 2021-22.
18. There has been no instance of any resignation of the statutory auditors during the year.
19. In our opinion no material uncertainty is observed to exist as on the date of the audit report about the ability of the company of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
20. No amount remains unspent under section 135(5) of the Companies Act, 2013.
21. The reporting under clause (xxi) is not applicable to the company.

(K.K. GUPTA)

Prop.

M. No.008311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFTW1699

Place: New Delhi

Dated: 02-08-2023



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



82

**Krishan K. Gupta & Co.**  
Chartered Accountants

**Annexure B referred to in Paragraph (II) (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") for the Year Ending 31-03-2023

We have audited the internal financial controls over financial reporting of **PEE EMPRO EXPORTS PVT. LTD.** ("the Company") as of March 31<sup>st</sup>, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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Website: www.krishankguptaco.ical.org.in

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

### Meaning of Internal Financial Controls Over Financial Reporting

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

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

(K.K. GUPTA)

Prop.

M. No. 8311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFTW1699

Place: New Delhi

Dated: 02-08-2023



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

(84)

**PEE EMPRO EXPORTS PRIVATE LIMITED, NEW DELHI**

**NOTE 1 & 2 – ACCOUNTING POLICIES AND NOTES TO the ACCOUNTS**

**FOR THE YEAR ENDING MARCH 31, 2023**

**A. SIGNIFICANT ACCOUNTING POLICIES**

(I). **Corporate Information:** Pee Empro Exports Pvt Ltd [Corporate Identity Number (CIN): U74899DL1980PTC010555] (hereinafter referred to as "the Company") was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 18<sup>th</sup> June, 1980, issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi.

Pee Empro Exports Pvt Ltd is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade garments, the Company is also engaged in securities investments business.

(II). **Basis of Preparation of Financial Statements**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values and comply with the Accounting Standard prescribed by Companies (Accounting Standards) Rule-2006, as amended, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013 ("the Act") to the extent applicable.

1. **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles ("GAAP") in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liability as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively in future period.

2. **PROPERTY, PLANT & EQUIPMENT AND DEPRICIATION**

(i) Property, Plant & Equipment are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing cost relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

(ii) Depreciation on Fixed Assets has been provided on the Written down Value method based on the useful life of asset as specified in Schedule-II of the Companies Act, 2013.

3. **INVENTORIES**

Inventories, of Raw Material, Consumables and Packing Material are valued at cost of Finished Goods & Traded Products at lower of cost or net realizable value and of damaged goods at estimated net realizable value.



For Pee Empro Exports Pvt/Ltd.  
*[Signature]*  
Director/Authorised Signatory

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85

**KRISHAN K. GUPTA & CO.**  
Chartered Accountants

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Contd. **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS** (March 31, 2023)  
(Pee Empro Exports Pvt. Ltd., New Delhi)

4. **INVESTMENTS**

- (i) Long-term investments are carried at cost less any other than temporary diminution in value, determined on the specific identification basis.
- (ii) Current investments are carried at lower cost of fair value. The comparison of cost and fair value is carried out separately in respect of each investment.
- (iii) Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment.

5. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in cash flow statement comprises cash in hand and balance in bank current accounts, deposit accounts and in margin money deposits.

6. **TAX EXPENSE**

- (i) Income tax expense comprises current tax as per Income Tax Act, 1961 and deferred tax charge or credit (reflecting the tax effects of the timing difference between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.
- (ii) Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is un-absorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such asset. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount i.e. reasonably / virtually certain, as the case may be, to be realized.

7. **RETIREMENT BENEFITS**

As per past practice Gratuity and Leave Pay are being accounted for at the time of actual payment, which is not in accordance with Accounting Standard 15 issued by ICAI.



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



86

PEE EMPRO EXPORTS PRIVATE LIMITED  
CIN:-U74899DL1980PTC010555

Regd. Office: G- 6, VAIKUNTH, 82-83, NEHRU PLACE, NEW DELHI New Delhi DL 110019 IN  
BALANCE SHEET AS AT MARCH 31, 2023

Amount in Rupees

	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I Equity and liabilities</b>			
<b>1 Shareholders' funds</b>			
a. Share capital	3	4,80,00,000	4,80,00,000
b. Reserves and surplus	4	2,63,81,25,056	2,18,71,99,689
c. Money Received against share warrants		<b>2,68,61,25,056</b>	<b>2,23,51,99,689</b>
<b>2 Non-current liabilities</b>			
a. Long-term borrowings	5	44,99,775	78,28,274
b. Deferred tax liabilities (Net)	6	69,13,688	44,56,398
		<b>1,14,13,463</b>	<b>1,22,84,672</b>
<b>3 Current liabilities</b>			
a. Short-term borrowings			
b. Trade payables	7	-	-
(i) Total outstanding dues of micro and small enterprises			
(ii) Total outstanding dues of creditors other than micro and small enterprises		41,91,36,939	55,94,18,030
c. Other current liabilities	8	1,74,35,480	1,59,60,054
d. Short-term provisions	9	23,54,54,384	24,08,83,095
		<b>67,20,26,803</b>	<b>81,62,61,179</b>
		<b>3,36,95,65,322</b>	<b>3,06,37,45,540</b>
<b>II Assets</b>			
<b>1 Non-current assets</b>			
a. Property, Plant & Equipment and Intangible assets	10	1,05,24,76,739	66,32,34,151
(i) Property, Plant and Equipment			
(ii) Intangible assets			
(iii) Capital work in progress			
(iv) Intangible assets under development			
b. Non-current investment	11	60,24,61,715	36,32,37,066
c. Deferred tax assets (net)	12	-	-
d. Long-term loans and advances	13	27,39,69,068	26,69,87,707
e. Other non-current assets		-	-
		<b>1,92,89,07,522</b>	<b>1,29,34,58,924</b>
<b>2 Current assets</b>			
a. Current Investments			
b. Inventories	19	29,92,87,499	33,34,14,798
c. Trade receivables	14	43,26,53,303	56,76,73,634
d. Cash and cash equivalents	15	49,58,64,340	70,17,81,431
e. Short-term loans and advances	16	21,28,52,658	16,74,16,753
		<b>1,44,06,57,800</b>	<b>1,77,02,86,616</b>
		<b>3,36,95,65,322</b>	<b>3,06,37,45,540</b>

Significant accounting policies 1-46

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

In terms of our report of even date

For  
**Krishan K. Gupta & Co.**  
Chartered Accountants  
Firm Reg. No.: 000009N

**K. K. Gupta**  
Proprietor  
Membership No.: 008311  
Place: Delhi  
Date: 02-08-2023



For and on behalf of the Board of Directors  
PEE EMPRO EXPORTS PRIVATE LIMITED

**P.S Uppal**  
Director  
DIN : 00253329  
Place: Delhi  
Date: 02-08-2023

**P.M.S Uppal**  
Director  
DIN : 00253279  
Place: Delhi  
Date: 02-08-2023

For Pee Empro Exports Pvt. Ltd.  
**Director/Authorised Signatory**

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87

PEE EMPRO EXPORTS PRIVATE LIMITED				
CIN:-U74899DL1980PTC010555				
Regd. Office: G- 6, VAIKUNTH, 82-83, NEHRU PLACE, NEW DELHI New Delhi DL 110019 IN				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023				
		Amount in Rupees		
		Note No.	Year ended March 31, 2023	Year ended March 31, 2022
1.	Revenue from operations	17	4,74,78,77,555	4,99,22,83,121
2.	Other income	18	52,47,66,798	28,77,94,150
3.	Total revenue (1+2)		5,27,26,44,353	5,28,00,77,272
4.	Expenses			
a.	Cost of materials consumed	19	4,16,41,10,420	4,33,71,96,308
b.	Employee benefits expense	20	10,19,68,178	9,25,01,757
c.	Finance costs	21	4,58,96,822	3,84,00,380
d.	Depreciation and amortisation expense	10	9,76,02,162	7,09,87,028
e.	Other expenses	22	26,71,65,197	19,44,86,959
	Total expenses		4,67,67,42,779	4,73,35,72,432
5.	Profit before tax and exceptional items (3-4)		59,59,01,574	54,65,04,840
6.	Exceptional items			
a.	Impairment loss on Property, Plant and Equipment		-	-
b.	Other receivable balances written-off		-	-
	Total exceptional items		-	-
7.	Profit before tax (5-6)		59,59,01,574	54,65,04,840
8.	Tax expense:			
a.	Current tax expense		17,21,28,907	18,40,25,458
b.	Short / (Excess) provision for current tax in respect of earlier years		-	-
c.	Deferred tax		24,57,290	1,90,55,693
	Total tax expense		17,45,86,197	20,30,81,151
9.	Profit after tax (7-8)		42,13,15,377	34,34,23,689
10.	Earnings per equity share (face value Rs. 10 per share) - Basic and Diluted	23		

Significant accounting policies

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

In terms of our report of even date

For  
Krishan K. Gupta & Co.  
Chartered Accountants  
Firm Reg. No.: 000009N

K. K. Gupta  
Proprietor  
Membership No.: 008311  
Place: Delhi  
Date: 02-08-2023

For and on behalf of the Board of Directors  
PEE EMPRO EXPORTS PRIVATE LIMITED

P.S Uppal  
Director  
DIN : 00253329  
Place: Delhi  
Date: 02-08-2023

P.M.S Uppal  
Director  
DIN : 00253279  
Place: Delhi  
Date: 02-08-2023



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

88

**PEE EMPRO EXPORTS PRIVATE LIMITED**

**CIN:-U74899DL1980PTC010555**

**Cash Flow Statement**

	Amount in Rupees	
	As at March 31, 2023	As at March 31, 2022
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit Before Taxation</b>	59,59,01,574	54,65,04,840
Adjustments for :		
Depreciation	9,76,02,162	7,09,87,028
Profit on sale of Fixed Assets	(1,93,194)	(1,01,89,023)
Preliminary and Deferred Revenue Expenditure	(24,57,290)	(1,90,55,693)
Divident Received	(22,72,279)	(8,07,921)
Interest Received	(2,43,17,614)	(1,81,98,860)
<b>Operating Profit Before Working Capital Changes</b>	<b>66,42,63,360</b>	<b>56,92,40,371</b>
Movements in Working Capital		
Decrease / (Increase) in Sundry Debtors	20,57,73,690	16,90,53,611
Decrease / (Increase) in Inventories	3,41,27,299	(10,04,40,504)
Decrease / (Increase) in Loan and Advances	(4,54,35,905)	7,62,83,570
(Decrease) / Increase in Short Term Provisions	(54,28,711)	17,03,13,069
(Decrease) / Increase in Trade Payables	(14,02,81,091)	(57,80,395)
(Decrease) / Increase in Other Current Liabilities	14,75,427	99,64,297
<b>Cash Generated from Operating Activities</b>	<b>71,44,94,068</b>	<b>88,86,34,020</b>
Income Tax earlier years	(17,21,28,907)	(18,40,25,458)
Income Tax Paid		
<b>Net Cash Flow Generated from Operating Activities (A)</b>	<b>54,23,65,162</b>	<b>70,46,08,562</b>
<b>B. Cash Flows from Investing Activities</b>		
Addition of Investment	(23,92,24,649)	54,77,445
Purchase of Fixed Assets	(48,69,35,110)	(18,19,33,978)
Profit on sale of Fixed Assets	5,03,895	1,01,89,023
Divident Received	22,72,279	8,07,921
Interest Received	2,43,17,614	1,81,98,860
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(69,90,65,971)</b>	<b>(14,72,60,729)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds/(Repayments) from/towards short-term borrowings	(33,28,499)	(42,79,420)
Dividend paid		
Interest Paid	(4,58,96,822)	(3,84,00,380)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(4,92,25,321)</b>	<b>(4,26,79,800)</b>
<b>Net Increase In Cash and Cash Equivalents (A+B+C)</b>	<b>(20,59,26,131)</b>	<b>51,46,68,033</b>
Cash and Cash Equivalents at the Beginning of the Year	70,17,81,431	18,71,13,398
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>49,58,55,300</b>	<b>70,17,81,431</b>

**Notes:**

The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement Statements as notified under Section 133 of the Companies Act, 2013.

**(ii) Components of Cash and Cash Equivalents**

	Year ended March 31, 2023	Year ended March 31, 2022
Cash at Bank	49,39,44,650	70,13,20,617
Cash on Hand	19,10,650	4,60,814
	<b>49,58,55,299</b>	<b>70,17,81,431</b>

As per our Report of even date

**Krishan K. Gupta & Co.**

Chartered Accountants

Firm Reg. No.: 000009N

**K. K. Gupta**

Proprietor

Membership No.: 008311

Place : New Delhi

Date: 02-08-2023

For and on behalf of the board of directors of  
PEE EMPRO EXPORTS PRIVATE LIMITED

**P.S Uppal**

DIRECTOR

DIN : 00253329

**P.M.S Uppal**

DIRECTOR

DIN : 00253279



For PEE EMPRO EXPORTS PVT. LTD.

Director/Authorised Signatory

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(89)

**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 3 - Share capital**

*Amount in Rupees*

	As at March 31, 2023		As at March 31, 2022	
	Number	Rupees	Number	Rupees
<b>Authorised</b> Equity shares of Rs. 100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
<b>Issued, subscribed and fully paid-up</b> 480000 Equity shares of Rs. 100 each with voting rights Includes 450000 Bonus Shares Rs.100 each	4,80,000	4,80,00,000	4,80,000	4,80,00,000
<b>Total</b>	<b>4,80,000</b>	<b>4,80,00,000</b>	<b>4,80,000</b>	<b>4,80,00,000</b>

**Notes:**

**i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:**

	As at March 31, 2023		As at March 31, 2022	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning and at the end of the year	4,80,000	4,80,00,000	4,80,000	4,80,00,000

**ii. Rights, preferences and restrictions attached to equity shares:**

The Company has issued one class of equity shares having face value of Rs. 10 each. Each shareholder is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**iii. Details of shares held by the Holding Company, subsidiaries of Ultimate Holding Company and details of shareholders holding more than 5% shares in the Company:**

	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% of holding	Number of shares held	% of holding
S. Perminder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%

**iv. The Company has not issued any bonus shares in 5 years immediately preceding year ended March 31, 2023**

**v. There were no shares bought back nor allotted either as fully paid-up bonus shares or under any contract without payment being received in cash during five years immediately preceding March 31, 2023**

**vi. Details of shares held by promoters at the end of the year in the Company:**

Promoter Name	No of Shares	% of total Shares	% change during the year
S. Perminder Singh Uppal	2,40,000	50.00%	0.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	0.00%

**Note 4 - Reserves and surplus**

	As at March 31, 2023	As at March 31, 2022
General reserve (At the commencement and at the end of the year)		
Surplus in the statement of Profit and Loss	24,39,49,785	24,39,49,785
Balance as at the beginning of the year	1,94,32,49,903	1,59,98,26,214
Add:- Surplus Refund on Income Tax AY(2021-2022)	48,970	
Add:- Excess Provision for Previous Year AY(2022-2023)	2,95,61,021	
Add: Profit for the year	42,13,15,377	34,34,23,689
Balance as at the end of the year	<b>2,63,81,25,056</b>	<b>2,18,71,99,689</b>
<b>Total</b>	<b>2,63,81,25,056</b>	<b>2,18,71,99,689</b>



For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

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**Note 5 - Long-term borrowings**

	As at March 31, 2023	As at March 31, 2022
<b>Secured loan</b>		
Loan From Banks	22,04,448	60,61,470
<b>Unsecured loan</b>		
Loan From Directors	22,95,327	17,66,804
<b>Total</b>	<b>44,99,775</b>	<b>78,28,274</b>

**Note 6 -Deferred Tax Liabilities**

	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax Liabilities</b>		
Difference between book balance and tax balance of fixed assets	69,13,688	44,56,398
<b>Total</b>	<b>69,13,688</b>	<b>44,56,398</b>



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For Pee Empro Exports Pvt. Ltd.  
  
 Director/Authorised Signatory

91

**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 7 - Trade Payables**

Ageing for Trade payables outstanding as at March 31, 2023 is as follows:-

Amount in Rupees

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
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	40,96,47,272	4,02,162	5,69,293	85,18,212	41,91,36,939
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>40,96,47,272</b>	<b>4,02,162</b>	<b>5,69,293</b>	<b>85,18,212</b>	<b>41,91,36,939</b>

Ageing for Trade payables outstanding as at March 31, 2022 is as follows:-

Amount in Rupees

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
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	53,92,98,542	23,81,383	15,53,491	1,61,84,614	55,94,18,030
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>53,92,98,542</b>	<b>23,81,383</b>	<b>15,53,491</b>	<b>1,61,84,614</b>	<b>55,94,18,030</b>

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

**Note 8 - Other current liabilities**

	As at March 31, 2023	As at March 31, 2022
Security Deposits	47,85,988	59,95,756
Advances to Customers	-	8,82,528
<b>Statutory dues</b>		
- GST	52,995	52,482
- Provident Fund	45,45,262	25,01,964
- ESIC	5,47,025	2,99,590
- Tax Deducted at Source	74,93,570	62,15,993
- Tax Collected at Source	10,640	11,741
<b>Total</b>	<b>1,74,35,480</b>	<b>1,59,60,054</b>

**Note 9 - Short term provisions**

	As at March 31, 2023	As at March 31, 2022
(a) <b>Provision for employee benefits:</b>		
- Provision for compensated absences	-	-
- Provision for gratuity (see note 25)	-	-
(b) <b>Provision - others:</b>		
Provision for Taxation	17,21,28,907	18,40,25,458
Electricity Payable	31,52,799	29,01,696
Expenses Payable	5,99,72,678	5,37,55,941
Audit Fees Payable	2,00,000	2,00,000
<b>Total</b>	<b>23,54,54,384</b>	<b>24,08,83,095</b>



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For Pee Empro Exports Pvt. Ltd.  
 Director/Authorised Signatory

STANDALONE SCHEDULE 'A' OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2023 ( AS PER COMPANY LAW )

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As on 01-04-2022	Addition before 30-09-2022	Addition After 30-09-2023	Sale/Transfer during Year 2022-23	As on 31-03-2023	Total Depreciation up to 31-03-2022	Rate of Dep	Depreciation during year 2022-23	Sale/Transfer during Year 2022-23	Total Depreciation as on 31-03-2023	WDV AS ON 31-03-2023	WDV AS ON 31-03-2022
Airconditioners & Ref.	2,51,52,427.99	60,27,112.31	62,25,909.74		3,74,05,450.04	2,08,36,847.50	45.07%	40,48,276.60	-	2,48,85,124.10	1,25,20,325.94	43,15,580.49
Air & Water Cooler and Fan	66,26,911.50	7,16,994.00	21,47,150.00		94,91,055.50	32,13,260.74	45.07%	18,07,796.44	-	50,21,057.18	44,69,996.32	34,13,650.76
Automobiles	6,67,37,171.77	25,80,643.34	15,27,104.91	5,03,895.00	7,03,20,975.02	4,75,55,651.93	45.07%	96,87,504.67	4,13,534.94	5,68,31,031.66	1,35,30,943.36	1,91,80,509.84
Boiler	94,74,648.42				94,74,648.42	65,57,691.45	45.07%	13,14,672.50	-	78,72,363.95	16,02,284.47	29,16,956.97
Building Factory 12/2 Fld	4,18,20,446.99				4,18,20,446.99	3,19,07,689.77	9.50%	9,41,711.93	-	3,28,49,401.70	89,71,045.29	98,12,757.22
Building Factory-13 DLF Fld	6,40,52,046.00				6,40,52,046.00	2,91,85,564.83	9.50%	33,12,315.74	-	3,24,97,880.57	3,15,54,165.43	3,48,86,481.17
Building Factory IMT-67 Fld	14,59,69,005.94				14,59,69,005.94	4,20,63,412.20	9.50%	98,71,031.41	-	5,19,34,443.61	9,40,34,562.33	10,39,05,593.74
Building Factory 78/27 Fld	6,72,83,509.83	2,68,49,517.33	3,98,21,105.93		13,39,54,133.09	3,41,32,013.77	9.50%	57,68,851.02	-	3,99,00,864.79	20,31,311.76	7,84,402.74
Camera & Mobile Phone	23,91,112.37	10,90,889.00	10,58,548.00		45,40,549.37	16,06,709.63	45.07%	9,02,527.98	-	25,09,237.61	2,52,03,434.35	2,52,03,434.35
Computer	2,43,45,132.20	43,78,745.30	39,23,229.92		3,26,46,607.42	1,98,07,910.29	63.17%	53,95,524.06	-	1,10,66,470.43	96,29,782.65	16,50,791.60
Computer Software	1,14,20,441.73	2,52,484.60	90,23,376.75		2,06,96,253.08	97,69,650.13	33.33%	12,96,820.30	-	82,25,136.73	58,65,990.81	58,65,990.81
Electric Installation	4,56,35,346.10	25,47,255.32	36,18,307.62		5,18,00,909.04	3,97,69,355.29	45.07%	38,06,417.02	-	4,35,75,772.31	2,723.64	4,958.39
Electroplate Machine	5,98,348.00				5,98,348.00	5,33,389.61	45.07%	2,234.75	-	5,95,624.36	1,02,38,802.72	31,02,495.51
Fire Fitting Equipment	1,44,76,119.60	71,60,519.70	38,41,396.80		2,54,78,036.10	1,13,73,624.09	45.07%	38,65,609.79	-	1,52,39,233.88	2,27,25,382.54	1,56,47,974.13
Furniture & Fixture	3,63,03,695.70	56,28,129.14	67,65,542.24		4,86,97,367.08	2,06,55,721.57	25.89%	53,16,262.97	-	2,77,19,011.82	1,45,03,192.06	1,60,95,285.91
Generators	3,95,08,203.88	12,98,000.00	14,16,000.00		4,22,22,203.88	2,34,12,917.97	25.89%	43,06,093.85	-	20,58,696.61	7,62,981.07	6,12,769.38
Inverter	22,38,860.43		5,82,817.25		28,21,677.68	16,26,091.05	45.07%	4,32,605.56	-	5,47,523.67	7,288.33	13,268.40
Intercom Installation	5,54,812.00				5,54,812.00	5,41,543.60	45.07%	5,980.07	-	69,22,878.08	10,14,942.93	13,69,508.75
Lift	79,37,821.01				79,37,821.01	65,68,312.26	25.89%	3,54,565.82	-	2,28,04,550.39	2,41,30,923.71	2,66,64,004.10
Office Flat	4,69,35,474.10				4,69,35,474.10	2,02,71,470.00	9.50%	25,33,080.39	-	23,07,06,751.99	26,96,591,49.99	21,68,83,558.79
Plant & Equipment	41,80,11,686.14	4,82,70,988.53	3,42,83,192.31		50,05,65,866.98	20,11,28,127.35	11.88%	2,95,78,624.64	-	3,39,152.27	2,54,066.74	71,246.84
Projector	2,16,347.01				5,93,221.01	1,45,100.17	63.17%	1,94,052.10	-	9,77,619.65	3,78,380.35	4,62,002.87
Solar Module	13,56,000.00				13,56,000.00	8,93,987.13	18.10%	83,622.52	-	29,06,499.12	12,49,636.88	9,08,372.27
Television	31,81,677.00	6,14,989.00	3,59,470.00		41,56,136.00	22,73,304.73	45.07%	6,33,194.39	-	17,38,126.23	11,86,282.17	5,51,881.57
Time Punching Machine	18,91,356.00	3,84,050.00	6,48,962.40		29,24,408.40	13,39,474.43	45.07%	3,98,631.80	-	24,43,875.80	5,02,667.86	7,26,056.77
Tubewell	28,02,363.74	1,01,157.92	43,022.00		29,46,543.66	20,76,306.97	45.07%	3,67,568.83	-	3,06,143.66	852.34	1,551.66
Timer Watch Import	3,06,996.00				3,06,996.00	3,05,444.34	45.07%	699.32	-	1,45,19,386.66	17,54,085.99	24,22,087.93
Washing Machine & Dryer	1,55,66,008.65	7,07,461.00			1,62,73,472.65	1,31,43,920.72	45.07%	13,75,465.94	-	2,03,28,376.00	2,03,28,376.00	2,03,28,376.00
Factory Land 12/2 Fld.	2,03,28,376.00				2,03,28,376.00	-	-	-	-	-	2,80,91,840.00	2,80,91,840.00
Factory Land 78/27-A Fld.	2,80,91,840.00				2,80,91,840.00	-	-	-	-	-	2,54,28,358.00	2,54,28,358.00
Factory Land (DLF No.13 Fld)	2,54,28,358.00				2,54,28,358.00	-	-	-	-	-	23,15,74,757.00	7,22,94,902.00
Factory Land (Plot No.67 IMT Fld)	7,22,94,902.00				7,22,94,902.00	-	-	-	-	-	70,52,218.21	70,52,218.21
Factory Land - New Plot					23,15,74,757.00	-	-	-	-	-	1,61,79,910.00	1,61,79,910.00
Showroom at Saket					70,52,218.21	-	-	-	-	-	1,48,80,054.00	-
Plot-22, Sector-99 Gurugram (Land)					1,61,79,910.00	-	-	-	-	-	-	-
Unit-208/210 FBD Project (Commercial Space)					1,48,80,054.00	-	-	-	-	-	-	-

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory





Pee Empro Exports Private Limited

Depreciation Chart as at 31-March-2023 as per Income Tax

PARTICULARS	WDV As On 01-04-2022	Addition before 30-09-2022	Addition after 30-09-2023	Sale/Transfer during year 2022-23	Total as on 31-03-2023	Rate of Dep	Depreciation during year 2022-23	WDV As On 31-03-2023
Air Cooler	43,07,547.80	7,16,994.00	21,47,150.00		71,71,691.80	15%	9,14,717.52	62,56,974.28
Airconditioners & Ref.	1,04,02,203.30	60,27,112.31	62,25,909.74		2,26,55,225.35	15%	29,31,340.57	1,97,23,884.78
Automobiles	4,48,72,636.99	25,60,643.34	15,77,054.91	2,83,554.00	4,87,26,781.24	15%	71,90,738.07	4,15,36,043.17
Boiler	54,78,747.94				54,78,747.94	15%	8,21,812.19	46,56,935.75
Building Factory 12/2-Fbd	1,12,15,981.80				1,12,15,981.80	10%	11,21,598.18	1,00,94,383.62
Building Factory 13-DLF Fbd	3,76,87,506.53				3,76,87,506.53	10%	32,66,750.65	2,94,18,755.88
Building Factory IMT67 Fbd	9,77,46,292.94				9,77,46,292.94	10%	97,74,629.29	8,79,71,663.65
Building Factory 78/27-A Fbd	3,50,43,560.22	2,68,49,517.33	3,98,21,105.93		10,17,14,183.48	10%	81,80,363.05	9,35,33,820.43
Camera & Mobile Phone	11,41,264.90	10,90,889.00	10,58,548.00		32,93,701.90	15%	4,14,664.19	28,79,037.72
Computer	57,27,163.99	43,78,245.30	39,23,229.92		1,40,28,639.21	40%	48,26,809.70	92,01,829.51
Computer Software	16,38,243.25	2,52,484.60	90,23,326.75		1,09,14,054.60	40%	25,60,956.49	83,53,098.11
Electric Installation	1,95,56,940.73	25,47,255.32	36,18,307.62		2,57,22,503.67	15%	35,87,002.48	2,21,35,501.19
Electrostatic Machine	32,333.47				32,333.47	15%	4,850.02	27,483.45
Fire Fitting Equipment	77,99,033.06	71,60,519.70	38,41,396.80		1,88,00,969.56	15%	25,32,040.67	1,62,68,928.89
Furniture & Fixture	2,26,30,830.70	56,28,129.14	67,65,542.24		3,50,24,502.08	10%	31,64,173.10	3,18,60,328.98
Generators	2,01,53,230.97	12,98,000.00	14,16,000.00		2,28,67,230.97	15%	33,23,884.65	1,95,43,346.32
Intercom Installation	1,31,584.97				1,31,584.97	15%	19,737.75	1,11,847.22
Inventor	12,24,926.62		5,82,817.25		18,07,743.87	15%	2,27,450.29	15,80,293.58
Lift	28,31,432.63				28,31,432.63	15%	4,24,714.89	24,06,717.74
Office Flat	1,08,36,736.02				1,08,36,736.02	5%	5,41,836.80	1,02,94,899.22
Plant & Machinery	16,55,64,317.27	4,82,70,988.53	3,42,83,192.31		24,81,18,498.11	15%	4,77,29,052.23	20,03,89,445.88
Projector	1,34,397.56	3,76,874.00			5,11,271.56	15%	76,690.73	4,34,580.83
Solar Moulds	2,11,617.36				2,11,617.36	15%	31,742.60	1,79,874.76
Television	19,49,297.55	6,14,989.00	3,59,470.00		29,23,756.55	15%	4,11,603.23	25,12,153.32
Time Punching Machine	10,99,252.12	3,84,090.00	6,48,962.40		21,32,304.52	15%	2,71,173.50	18,61,131.02
Time Watch Import	52,203.75				52,203.75	15%	7,830.56	44,373.19
Tube Well	16,99,104.24	1,01,157.92	43,022.00		18,43,284.16	10%	1,82,177.32	16,61,106.84
Washing Machine & Dryer	78,93,620.25	7,07,464.00			86,01,084.25	15%	12,90,162.64	73,10,921.61
Water Cooler & Fan	99,729.00				99,729.00	15%	14,959.35	84,769.65
Factory Land (DLF No.13 Fbd)	2,54,28,358.00				2,54,28,358.00	-	-	2,54,28,358.00
Factory Land (Plot No.67 IMT Fbd)	7,22,94,902.00				7,22,94,902.00	-	-	7,22,94,902.00
Factory Land 12/2 Fbd.	10,68,375.00				10,68,375.00	-	-	10,68,375.00
Factory Land 78/27-A Fbd.	2,80,91,840.00				2,80,91,840.00	-	-	2,80,91,840.00
Factory Land - New Plot			23,15,74,757.00		23,15,74,757.00	-	-	23,15,74,757.00
Showroom at Saket	68,82,352.21				68,82,352.21	-	-	68,82,352.21
Plot-225, Sector99 Gurgaon (Land)		1,48,80,054.00			1,48,80,054.00	-	-	1,48,80,054.00
Unit-209&210 FBD Project (Commercial Space )		1,61,79,910.00			1,61,79,910.00	-	-	1,61,79,910.00
<b>TOTAL</b>	<b>64,79,30,585.14</b>	<b>14,00,25,317.49</b>	<b>34,69,09,792.87</b>	<b>2,83,554.00</b>	<b>1,13,45,82,141.50</b>		<b>10,58,47,462.71</b>	<b>1,02,87,34,678.79</b>

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

94

**Note 11 - Other non-current Investments**

**Amount in Rupees**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Bonds & Funds	49,35,51,184	31,47,08,602
Quoted Investments	4,35,70,702	2,73,48,465
Unquoted investments	6,53,39,829	2,11,80,000
<b>Total</b>	<b>60,24,61,715</b>	<b>36,32,37,066</b>

**Note 12 - Deferred tax assets**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Deferred tax assets</b>		
Difference between book balance and tax balance of fixed assets	69,13,688	-
Provision for employee benefits	-	-
<b>Total</b>	<b>69,13,688</b>	<b>-</b>

**Note 13 - Long-term loans and advances**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured, considered good (unless otherwise stated)</b>		
To parties other than related parties	-	-
- Security deposits	-	-
<b>Other loans and advances</b>		
- Balances with government authorities		
(a) GST Credit	7,66,26,359	7,20,16,807
(b) Income tax receivable	3,73,21,982	52,67,812
(c) Amount deposited with Government authorities		
- for Duty Drawback Receivable	1,12,49,335	3,36,76,150
(d) Advance Tax	14,39,98,400	15,26,50,000
(e) Tax Collected at Source	96,608	5,05,972
(f) Tax Deducted at Source	46,76,385	28,70,966
<b>Total</b>	<b>27,39,69,068</b>	<b>26,69,87,707</b>



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For Pee Empro Exports Pvt Ltd

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Note 14 - Trade receivables

Trade Receivable ageing Schedule as at March 31, 2023 is as follows :-					
Particular	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
Unsecured, considered good					
(a) Disputed Trade receivables					
(b) Undisputed Trade receivables	43,25,23,922	1,01,902	27,479		
Unsecured, considered doubtful					
(a) Disputed Trade receivables					
(b) Undisputed Trade receivables					
<b>Total</b>	<b>43,25,23,922</b>	<b>1,01,902</b>	<b>27,479</b>	<b>-</b>	<b>43,26,53,303</b>

Note 14 - Trade receivables

Trade Receivable ageing Schedule as at March 31, 2022 is as follows :-					
Particular	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
Unsecured, considered good					
(a) Disputed Trade receivables					
(b) Undisputed Trade receivables	53,30,82,299	5,65,035	1,84,86,341	2,44,589	1,52,95,370
Unsecured, considered doubtful					
(a) Disputed Trade receivables					
(b) Undisputed Trade receivables					
<b>Total</b>	<b>53,30,82,299</b>	<b>5,65,035</b>	<b>1,84,86,341</b>	<b>2,44,589</b>	<b>1,52,95,370</b>

Note 15 - Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Cash on hand	19,10,650	4,60,814
Balances with banks in current accounts	49,39,44,650	70,13,20,617
Interest Accrued on FD	9,041	-
<b>Total</b>	<b>49,58,64,340</b>	<b>70,17,81,431</b>

Note 16 - Short-term loans and advances

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless otherwise stated)		
To parties other than related parties		
- Security deposits	91,91,816	68,86,004
Other loans and advances		
- Sundry Advances	7,51,34,169	1,59,89,632
- Advances to Builders	12,83,96,673	14,43,91,117
- Prepaid Expenses	1,30,000	1,50,000
<b>Total</b>	<b>21,28,52,658</b>	<b>16,74,16,753</b>

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95

**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 17 - Revenue from operations**

*Amount in Rupees*

	As at March 31, 2023	As at March 31, 2022
Sale of goods	4,74,78,77,555	4,99,22,83,121
<b>Total</b>	<b>4,74,78,77,555</b>	<b>4,99,22,83,121</b>

**Note 18 - Other income**

	As at March 31, 2023	As at March 31, 2022
Interest income on deposits	21,87,557	-
Foreign exchange gain (net)	6,38,28,628	13,01,45,886
Other income	45,87,50,613	15,76,48,264
<b>Total</b>	<b>52,47,66,798</b>	<b>28,77,94,150</b>

**Note 19 - Cost of Material Consumed**

	As at March 31, 2023	As at March 31, 2022
Opening Stock	33,34,14,798	23,29,74,294
Add :- Purchases	2,23,21,32,616	2,44,26,15,353
Add :- Direct Expenses	1,89,78,50,505	1,99,50,21,459
<b>Total</b>	<b>4,46,33,97,919</b>	<b>4,67,06,11,106</b>
Less :- Closing Stock	29,92,87,499	33,34,14,798
<b>Total</b>	<b>4,16,41,10,420</b>	<b>4,33,71,96,308</b>

**Note 20 - Employee benefits expense**

	As at March 31, 2023	As at March 31, 2022
Salaries and wages	8,86,36,382	7,65,56,817
Contribution to gratuity and other funds	39,51,023	71,02,436
Staff welfare expenses	93,80,773	88,42,504
<b>Total</b>	<b>10,19,68,178</b>	<b>9,25,01,757</b>

**Note 21 - Finance Costs**

	As at March 31, 2023	As at March 31, 2022
Bank Charges	4,58,96,822	3,74,17,193
Interest Paid	-	9,83,187
<b>Total</b>	<b>4,58,96,822</b>	<b>3,84,00,380</b>



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## Note 22 - Other expenses

	As at March 31, 2023	As at March 31, 2022
Rent ,Rate & Taxes	28,58,756	27,58,668
Brokerage & Commission	14,30,946	-
Repairs and maintenance - Others	4,32,87,668	2,68,05,012
Legal and professional	1,65,44,060	1,50,74,804
Payment to Auditors		
Statutory audit	1,50,000	1,50,000
Tax audit	50,000	50,000
Reimbursement of expenses		-
Travelling and conveyance	1,75,75,270	71,23,183
Communication	66,52,463	56,31,357
Insurance	68,51,378	65,70,776
Printing and stationery	66,70,988	65,70,395
Packaging & Forwarding	5,87,47,385	6,92,15,476
Licence Fees	13,57,827	26,35,624
Promotion & Advertising Expenses	4,83,03,060	2,73,29,576
Miscellaneous expenses	1,30,73,474	89,10,670
Baddebts	3,41,98,429	6,76,464
CSR & Donation	91,48,509	1,11,42,301
Fine & Penalty	2,64,983	38,42,654
<b>Total</b>	<b>26,71,65,197</b>	<b>19,44,86,959</b>



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98

PEE EMPRO EXPORTS PVT. LTD.  
PLOT-78 SECTOR 27A  
MAIN MATHURA ROAD  
FARIDABAD, HARYANA  
CIN: U74899DL1980PTC010555

Donation-80G  
Ledger Account

1-Apr-22 to 31-Mar-23

Date	Particulars	Vch Type	Vch No.	Debit	Credit
22-Apr-22	Cr HDFC Bank Limited (Fbd) Cheque No 006091 paid to MSB Foundation Ref Mr KK Gupta (CA)	Payment		30000.00	
19-May-22	Cr The Karur Vysya Bank Ltd. Online Payment as Donation to Harpreet Foundation	Payment		50000.00	
23-Jul-22	Cr The Karur Vysya Bank Ltd. Online payment as advance against CSR Expenses to All India Confederation for women Empowerment through Education as per Mr Arjun/ Akarshika Instruction	Payment		85000.00	
23-Aug-22	Cr The Karur Vysya Bank Ltd. Online Payment as Donation to Harpreet Foundation for May-July 2022	Payment		150000.00	
23-Aug-22	Cr HDFC Bank Limited (Fbd) Cheque No 007677 to All India Confederation for women empowerment through Education for World Hepatitis Day as approved by Mr Arjun	Payment		85000.00	
21-Sep-22	Cr The Karur Vysya Bank Ltd. Online Payment to Samuel Foundation against Unit-12/2 Internship Stipend for Aug 22 as per detail attached	Payment		32558.00	
23-Sep-22	Cr The Karur Vysya Bank Ltd. Online Payment to All India Confederation for Women Empowerment Through Education (AICWETE) against CSR Activity as per Neera Request approved by Mr Arjun	Payment		90000.00	
13-Oct-22	Cr The Karur Vysya Bank Ltd. Online Payment to Samuel Foundation against Unit-12/2 Internship Stipend for Sep 22 as per detail attached	Payment		31534.00	
19-Oct-22	Cr The Karur Vysya Bank Ltd. Cheque No 086828 paid against Eye Camp as per Ms Neera Request (Innovation Educational Forum Society)	Payment		90000.00	
21-Nov-22	Cr The Karur Vysya Bank Ltd. Online Payment to Samuel Foundation against Unit-12/2 Internship Stipend for OCT 22 as per detail attached	Payment		32468.00	
07-Dec-22	Cr The Karur Vysya Bank Ltd. Online Payment to Samuel Foundation against Unit-12/2 Internship Stipend for Nov 22 as per detail attached	Payment		2748.00	
22-Dec-22	Cr The Karur Vysya Bank Ltd. Online Payment as Donation to Harpreet Foundation for the month August 22 to Nov22	Payment		200000.00	
				879308.00	
Dr	Closing Balance				879308.00
				879308.00	879308.00



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99

### 23.Earnings Per Share (EPS)

The following reflects the net profit and equity shares information used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Profit/(Loss) after tax ( ` '00000)	42,13,15,377	34,34,23,689
Weighted average number of equity shares in calculating basic EPS ('00000)	4,80,00,000	4,80,00,000
<b>Basic and Diluted EPS ( ` '000 )</b>	<b>8.78</b>	<b>7.15</b>

### Calculation of Weighted Average Number of Equity Shares

	March 31, 2023	March 31, 2022
No of equity shares at the beginning of the year	4,80,00,000	4,80,00,000
Shares allotted during the year	-	-
<b>Weighted Average Number of Equity Shares</b>	<b>4,80,00,000</b>	<b>4,80,00,000</b>



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**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**Regd. Office: G- 6, VAIKUNTH, 82-83, NEHRU PLACE, NEW DELHI New Delhi DL 110019 IN**  
**CIN:-U74899DL1980PTC010555**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**24** The accounts of certain sundry debtors and creditors, advances for Supplies and are subject to confirmation /reconciliation and adjustment, if any. The Management doesnot expect any material diffrence affecting the current year's financial statements.

**25** In the opinion of the management, the current assets, Loans & advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

**26 REMUNERATION TO AUDITORS**

Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
Audit Fees	1,50,000	1,50,000
Tax Audit Fees	50,000	50,000
	<b>2,00,000</b>	<b>2,00,000</b>

**27 Deferred Tax Liability (net)**

Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
A. Opening Deferred Tax Liability	44,56,398	
B. Opening Deferred Tax Asset	0	1,45,99,295
Net Deferred tax liability/ (assets) (A-B)	69,13,688	44,56,398
Deferred tax debited / (credited) to P & L A/c	<b>24,57,290</b>	<b>1,90,55,693</b>

**28 RETIREMENT BENEFITS**

AS 15 requires that actuarial valuation should be done in respect of following employee benefits: - The company has not followed actuarial valuation as per AS 15 since the company has adopted payment basis method

**A. Defined Benefit Plan**

(a) The company has adopted policy of making payment towards retirement benefits and leave enchasements on payment basis and the same will be accounted for as & when paid which is not in accordance.

**B. Defined Contribution Plan**

The Provision of gratuity & earned leave with wages has not been made .The same will be dealt as and when paid. However, the amount of gratuity & earned leave with wages Liability as on March 31,2023 comes to approx. which is not accordance.

Particulars  
Gratuity  
Total

F.Y 2022-23	F.Y 2021-22
9,46,00,000.00	3,00,00,000.00
<b>9,46,00,000.00</b>	<b>3,00,00,000.00</b>



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For Pee Empro Exports Pvt. Ltd.

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101

PEE EMPRO EXPORTS PRIVATE LIMITED  
CIN:-U74899DL1980PTC010555

29. Related Party Disclosures  
Names of related parties and related party relationship  
Related parties where control exists

Enterprises under common control

Particulars  
Hemla Embroidery Mills Private Limited  
Creative Dying & Printing Mills Pvt.Ltd

Nature of Relationship

Subsidiary Company  
Subsidiary Company

Key management personnel

S. Perminder Singh Uppal  
S.Prit Mohinder Singh Uppal  
S. Mohinder Singh Uppal

Relative of key management personnel and their related parties

Hemla Embroidery Mills Private Limited  
Creative Dying & Printing Mills Pvt.Ltd  
Mr.Arjun Veer Singh Uppal  
Mr.Krista Cylee Sachdev  
Ms.Akarshika Uppal

Amount in Rupees

Particulars	B		C		(A+B+C)	
	Enterprises under common control		Key management personnel (KMP)/ relatives of KMPs, and their related parties		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
A. Transactions during the year						
C. Remuneration to Key Management Personnel						
Salary to Directors						
S. Perminder Singh Uppal			1,50,00,000	1,20,00,000	1,50,00,000	1,20,00,000
S.Prit Mohinder Singh Uppal			1,50,00,000	1,20,00,000	1,50,00,000	1,20,00,000
S. Mohinder Singh Uppal			18,00,000	12,00,000	18,00,000	12,00,000
Relative of key management personnel and their related parties						
Salary						
Mr.Arjun Veer Singh Uppal			21,11,267	20,19,234	21,11,267	20,19,234
Mr.Krista Cylee Sachdev			-	16,82,695	-	16,82,695
Purchases						
Creative Dying & Printing Mills Pvt.Ltd	5,22,77,863	6,96,28,998	-	-	5,22,77,863	6,96,28,998
Hemla Embroidery Mills Private Limited	17,66,56,701	30,11,63,866	-	-	17,66,56,701	30,11,63,866
Rent						
S. Perminder Singh Uppal			12,00,000	12,00,000	12,00,000	
S.Prit Mohinder Singh Uppal			12,00,000	12,00,000	12,00,000	
Job Work						
Mr.Krista Cylee Sachdev			8,10,96,738	32,12,223	8,10,96,738	
Ms.Akarshika Uppal			11,00,83,892	1,92,18,138	11,00,83,892	



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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

**Segment Disclosure**

Accounting Principles and policies, as reported in Significant / Accounting policies, used in the preparation of financial statements are Voluntary disclosure to record revenue, expenditure, assets and liabilities, in Primary and Secondary segment.

Particulars	For the year ended 31st March 2023			For the year ended 31st March 2022		
	Primary Segment	Secondary Segment	Total	Primary Segment	Secondary Segment	Total
	Manufacturing and Export of Readymade Garments	Securities investment business		Manufacturing and Export of Readymade Garments	Securities investment business	
<b>Revenue</b>						
Revenue from Operations	4747877555	0	4747877555	4992283121		4992283121
Other Income	482184568	42582230	524766798	265224163.1	22569987	287794150
<b>Total Revenue</b>	5230062123	42582230	5272644353	5257507285	22569987	5280077272
<b>Operating Profit</b>	739400558		739400558	655892247	0	655892247
<b>Unallocable expenses</b>						
Finance costs			45896822			38400380
Depreciation & amortization expense			97602162			70987028
			143498985			109387407
<b>Profit / (Loss) before tax</b>			595901573			546504840
Tax expenses (net)			172128907			184025458
<b>Profit after tax and interest</b>			423772667			362479382
<b>Segment Assets</b>	2767103607	602461715	3369565322	2700508474	363237066.4	3063745540
<b>Segment liabilities</b>	674231251	2295326.97	676526578	822322649.3	1766803.95	824089453.2
<b>Net Assets</b>	2092872356	602461715	2693038744	1878185824	361470262.4	2239656087

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For Pee Empore Exports Pvt. Ltd.



Director/Authorised Signatory



102

103

PEE EMPRO EXPORTS PRIVATE LIMITED

CIN:-U74899DL1980PTC010555

31 Financial Ratios

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	2.14	2.17	-0.01	
Debt-equity ratio	Total Debt	Shareholder's Equity	0.002	0.004	-0.52	
Debt service coverage ratio	Earnings available for debt service	Debt Service	154.50	111.07	0.39	Decrease in sales results into higher earnings available for debt service. Hence, Ratio is improved.
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	0.16	0.15	0.02	Decrease in sales results into higher profits.. Hence, Ratio is improved.
Inventory turnover ratio	Cost of goods sold	Closing Inventory	8.62	10.85	-0.21	Efficiency in Operations results into improvement of Ratio.
Trade receivables turnover ratio	Total Sales	Closing Trade Receivable	6.06	4.06	0.49	Efficiency in Operations results into improvement of Ratio.
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	3.19	2.90	0.10	Efficiency in Operations results into improvement of Ratio.
Net capital turnover ratio	Total Sales	Average Working Capital	1.96	2.36	-0.17	
Net profit ratio	Net Profit	Net Sales	0.11	0.10	-0.09	Decrease in sales results into higher profits.. Hence, Ratio is improved.
Return on capital employed	Earning before interest and taxes	Capital Employed	0.22	0.24	-0.09	Decrease in sales results into higher profits.. Hence, Ratio is improved.
Return on investment	Net Profit	Average Shareholder's Equity	8.78	7.15	-0.23	Decrease in sales results into higher profits.. Hence, Ratio is improved.

32 Details of Amount Dues to Micro, Small and Medium Enterprises as defined under the MSME Act, 2006

There are no Micro, Small and Medium Enterprise to whom the company owes, which are outstanding for more than 45 days as of March 31, 2023. This information is required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available to the company. Therefore, disclosure relating to interest paid / payable under this Act has not been given.

33 Expenditure in Foreign Currency

	March 31, 2023	March 31, 2022
Imported Purchase	11,56,47,534	13,40,81,639
Travelling	-	17,62,216
	<b>11,56,47,534</b>	<b>13,58,43,855</b>

34 Earnings in Foreign Currency

	March 31, 2023	March 31, 2022
Sale of Goods	3,84,77,90,432	4,42,85,45,863
	<b>3,84,77,90,432</b>	<b>4,42,85,45,863</b>



35 The Company has not taken any loan or provided any guarantee or security hence it is not declared as willful defaulter by any bank or financial institution or any other lender during the period under review.

36 The company has received in full and final settlement Rs. 8 Cr. during the year against fire insurance claim this amount has been included under the head Other Income.

37 The Company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year ended March 31, 2023.

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



- 38 There is no any proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 39 The company has prepared these financial statements, as per the format, prescribed by schedule III of the Companies Act, 2013 (the schedule), issued by Ministry of Corporate Affairs. All the figures are in rupees and number of shares are in absolute number. Previous year figures have been recast/restated and reclassified, wherever necessary to confirm the classification of the current year 2023
- 40 Further, 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
- 41 The company does not have any charges or satisfaction yet to be registered with registrar of companies beyond the statutory period.
- 42 The Company has not traded or invested in crypto currency or virtual Currency during the financial year ended March 31, 2023
- 43 The Company has set-up its own in house training center to provide training and certification thereof under CSR Scheme .
- 44 The Company is liable to incurred CSR Expenditure of Rs.80,33,214/- ,in accordance with Sec-135 and with Sec-198 of the Companies Act 2013.The company has incurred Rs, 82,69,201/-against this amount till 31.03.2023 including the unspend expenditure of Rs.2,35,987 of Preceeding Previous Year .
- 45 The other clauses of the Schedule III Core Amendment 2021 of the Companies Act 2013 are not applicable, since the company does not have any transactions requiring disclosure under accounting standard AS 7 (Construction Contract), AS 12 (Accounting for Government Grant), AS 19 (Leases), AS 24 (Discontinuing Operations), AS 28 (Impairment of Assets)
- 46 The company is engaged in manufacturing ready made garments . The production and sale of such business can be expressed in any generic unit. Hence it is possible to give some quantitative information.

**Raw Material**

Item Name	Unit Name	Opening Stock	Purchase during the Year	Consumption during the year	Closing stock
Fabric	metre	1479506	9173194.11	9461898.72	1190801.93
Processed/ Ready Made Fabric	metre	650951	5602561.14	5601997.64	651513.86

**Finished goods**

Item Name	Unit Name	Opening Stock	Purchase during the Year	Sales During the year	Closing stock
Ready Made Garments	numbers	256025	7834959	7814177	276807

As per our report of even date  
**Krishan K. Gupta & Co.**  
Chartered Accountants  
Firm Reg. No.: 000009N

**K. K. Gupta**  
Proprietor  
Membership No.: 008311

Place : New Delhi  
Date :



For and on behalf of the board of directors of

**P.S Uppal**  
Director  
DIN:

**P.M.S Uppal**  
Director  
DIN:

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



**Krishan K. Gupta & Co.**  
Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

To the Members of  
**HEMLA EMBROIDERY MILLS PVT. LTD.**  
New Delhi

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

##### Opinion

We have audited the financial statements of **HEMLA EMBROIDERY MILLS PVT. LTD.** ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows 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, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and profit, and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Emphasis of Matter

The management of the company has intimated that there is no impact of COVID-19 on the performance and assets of the company.

##### 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.



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For Hemla Embroidery Mills Pvt. Ltd.

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### **Information Other than the Financial Statements and Auditor's 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 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 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 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 no 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 Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 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.

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



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Director/Authorised Signatory



**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 scepticism 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.
- 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.

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



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For Hemla Embroidery Mills Pvt. Ltd.

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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.

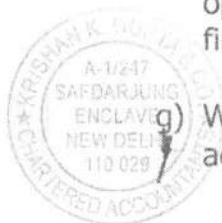
#### **Report on Other Legal and Regulatory Requirements**

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" 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 the requirements of section 197(16) of the Act, as amended:



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For Herla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long-term contracts including derivative contracts.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(K.K. GUPTA)

Prop.

M. No. 8311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFSJ2460



Place: New Delhi

Dated: 11-09-2023

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory



**Krishan K. Gupta & Co.**  
Chartered Accountants

**Annexure A to the Independent Auditor's Report**

**AUDITOR'S REPORT AS PER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020:**

1.
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - b) As explained to us, property, plant and equipment have been physically verified by the management at reasonable interval no material discrepancies were noticed on such verification.
  - c) The immovable property disclosed in the financial statements are held in the name of the company.
  - d) The Company has not revalued its Property, Plant and Equipment during the year.
  - e) No proceeding has been initiated against the Company for holding any Benami property under Benami Transactions (Prohibition) Act 1988.
2.
  - a) Inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
  - b) The Company has not being sanctioned any working capital limit from Bank or Financial Institutions.
3. The company has not granted unsecured loans, provided guarantee and made investments in its wholly owned subsidiary i.e related party which is covered under register maintained under section 189 of the Companies Act, 2013
4. In respect of loans, investments and guarantees made provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The Company has not accepted deposits within the meaning of Rule 2 (c) (xii) (a) of Companies (Acceptance of Deposit) Rules, 2015 or any such amount which are deemed to be deposits.
6. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 in respect of products of the Company covered under the rules under said section have been made and maintained. However, we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
7. According to information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, custom duty, goods cess, other statutory dues and interest/ penalty towards delayed payment of dues to the extent applicable to it.



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For Memla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

According to the information and explanations given to us, there were no undisputed amounts which were outstanding as at 31 March 2023 for a period of more than six months from the date of becoming payable.

8. No transaction has been surrendered or disclosed as income during the year in tax assessment under Income Tax Act, 1961 which had not been recorded in the books of account of the year.
9.
  - a) Based on our audit procedures and as per the information's and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to any bank or other quarter on account of principal loan or interest.
  - b) Company has not been declared a wilful defaulter by any bank or financial institution or other lenders.
  - c) No term loan has been availed by the company from any quarter.
  - d) No fund raised on short term basis has been found to have been utilised for long term purpose.
  - e) Company has not any subsidiary company. The company has an associate company namely Creative Dying and Printing Mills Pvt. Ltd. and holding with Pee Empro Exports Pvt. Ltd.
10.
  - a) The Company has raised no money by way of IPO or Further Public Offer including debt instruments during the year.
  - b) The Company has not made any preferential allotment of shares during the year.
11.
  - a) No fraud by the company or on the company has been noticed or reported during the year.
  - b) No report under section 143 (12) of Companies Act 2013 has been filed by us during the year.
  - c) We have received no whistle-blower complaint during the year.
12. The Company is not a Nidhi Company. Accordingly paragraph 3 (xii) of the Order is not applicable.
13. There has been no transactions with any related party covered under section 188 of the Companies Act, 2013. All the transactions with the related parties are in compliance with Section 177 of the Companies Act, 2013 and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
14. The company is stated to have an internal audit system commensurate with the size and nature of its business, the report of which could not be verified by us.
15. The company has not entered into any non-cash transaction with directors or persons connected with him.



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

16. 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 financial activities during the year.
- c) Company is not a Core Investment Company (CIC).
- d) The company does not belong to any group which has a CIC as its member.
17. The company has not incurred any cash losses in the financial year 2022-23 and in the immediately preceding financial year in 2021-22.
18. There has been no instance of any resignation of the statutory auditors during the year.
19. In our opinion no material uncertainty is observed to exist as on the date of the audit report about the ability of the company of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date.
20. The company has covered CSR under section 135 of the Companies Act, 2013.
21. The reporting under clause (xxi) is not applicable to the company.

  
(K.K. GUPTA)

Prop.

M. No. 8311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFSJ2460



Place: New Delhi

Dated: 11-09-2023

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory





173

**Krishan K. Gupta & Co.**  
Chartered Accountants

**Annexure B referred to in Paragraph (II) (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

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

We have audited the internal financial controls over financial reporting of **HEMLA EMBROIDERY MILLS PVT. LTD.** ("the Company") as of March 31<sup>st</sup>, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

174

### Meaning of Internal Financial Controls Over Financial Reporting

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

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

(K.K. GUPTA)

Prop.

M. No. 8311

For and on behalf of

**KRISHAN K. GUPTA & CO.**

Chartered Accountants

FRN: 000009N

UDIN: 23008311BGVFSJ2460

Place: New Delhi

Dated: 11-09-2023



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

175

**Hemla Embroidery Mills Pvt. Ltd.**  
**14/6, Mathura Road Faridabad**

**Computation of Income for the Assessment Year 2023-24**

Net Profit as per Profit & Loss A/c

52,584,453.08

**Add Back**

1	Charity & Donation	1,367,560.00
2	Depreciation for Separate Consideration	37,318,845.57
3	Bonus Payable	1,073,928.00

39,760,333.57

Less:

1	Depreciation As per Income Tax Rules	45,560,805.82
2	Bonus Paid	1,073,928.00
3	Income from Rent for Separate Consideration	160,000.00
4	Revaluation Reserve written off	34,067.00
5	Profit on Sale of assets	9,159,317.00
		<u>55,988,117.82</u>

36,356,668.83

**INCOME FROM RENT**

Let out Portion of Plot No 18, DLF, Faridabad

160,000.00

Less : Standard Deduction 30%

48,000.00

112,000.00

36,468,668.83

Deduction U/s 80G

1,217,460.00

Net Profit

35,251,208.83

RO

35,251,209.00

Tax on Rs. 35251209

Surcharge

7%

8,812,802.00

616,896.00

Education C

4%

9,429,698.00

Total Tax due

377,188.00

Total Tax

9,806,886.00

9,806,886.00

Less:

Advance Tax

14/06/2022

2,000,000.00

14/09/2022

3,000,000.00

14/12/2022

2,000,000.00

14/03/2023

1,000,000.00

8,000,000.00

TDS Certificates

6,712,451.49

TCS

110,604.40

6,823,055.89

Refund

(5,016,169.89)

Tax Amount U/S 115JB @ 15% On Rs.52619536

5,287,681.00

Since Tax paid by the company is higher from MAT U/S 115JB

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory



**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN : U74999HR1958PTC002248

BALANCE SHEET AS AT 31ST MARCH- 2023

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>I. EQUITY AND LIABILITIES</b>			
(a) Share Capital	2	45,00,000.00	45,00,000.00
(b) Reserves and Surplus	3	54,29,95,747.21	50,27,07,243.82
<b>(2) Non Current Liabilities</b>			
(a) Long Term Borrowings	4	7,24,66,950.00	2,93,07,257.84
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	1,85,53,618.32	3,85,71,059.89
(b) Short Term Borrowings		-	-
(c) Other Current Liabilities	6	79,86,892.94	75,40,451.52
(d) Short-Term Provisions	7	-	54,88,470.00
<b>Total Equity &amp; Liabilities</b>		<b>64,65,03,208.47</b>	<b>58,81,14,483.07</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment			
(i) Property, Plant and Equipment	8	32,95,54,064.74	23,13,22,675.54
(ii) Deferred Tax	9	70,87,816.66	93,80,730.00
(b) Long term loans and advances	10	2,76,53,256.91	2,04,30,435.66
(c) Other Non current assets	11	36,51,427.04	33,56,393.04
<b>(2) Current Assets</b>			
(a) Inventories	12	2,89,93,813.27	3,10,09,091.92
(b) Trade Receivables	13	7,90,84,201.83	9,42,20,043.06
(c) Cash and cash equivalents	14	16,64,88,530.59	19,64,91,329.03
(d) Short-term loans and advances	15	39,90,097.43	19,03,784.82
<b>Total Assets</b>		<b>64,65,03,208.47</b>	<b>58,81,14,483.07</b>

Significant accounting policies

1

Notes to the financial statements

2-46

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date

For and on behalf of

KRISHAN K. GUPTA &amp; CO.

CHARTERED ACCOUNTANTS

Firm Reg. No. : 000009N

(K.K. GUPTA)

Prop.

Membership No. : 08311

UDIN : 23008311BGFVSJ2460

PLACE : NEW DELHI

DATED : 11-09-2023



P.M.S Uppal

Director

DIN: 00253279

P.S Uppal

DIRECTOR

DIN : 00253329

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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179

# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN : U74999HR1958PTC002248

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH - 2023

Sr. No	Particulars	Note No.	For the year ended 31 March, 2023	For the year ended 31 March, 2022
I	Revenue from operations	16	40,27,76,615.37	54,61,90,828.93
II	Other Income	17	2,69,46,846.49	51,54,659.52
III	III. Total Income (I +II)		42,97,23,461.86	55,13,45,488.45
IV	Expenses:			
	Cost of materials consumed-Raw Material, & Consumables	18	12,17,70,490.15	17,31,69,435.19
	Changes in inventories of finished goods & WIP	19	47,433.36	(10,98,007.00)
	Employees Benefit Expenses	20	4,83,87,898.92	3,76,77,574.40
	Financial Costs	21	33,01,845.72	36,27,872.43
	Depreciation and Amortization Expenses	22	3,73,18,845.57	3,83,85,982.26
	Other Expenses	23	16,63,12,495.06	18,20,25,760.94
	Total Expenses (IV)		37,71,39,008.78	43,37,88,618.22
V	Profit before exceptional and extraordinary items and tax	(III - IV)	5,25,84,453.08	11,75,56,870.23
VI	Exceptional Items			
VII	Profit before extraordinary items and tax (V - VI)		5,25,84,453.08	11,75,56,870.23
VIII	Extraordinary Items			
V	Profit before tax		5,25,84,453.08	11,75,56,870.23
VI	Tax expense:			
	(1) Tax for Previous Years		78,740.74	11,05,305.00
	(2) Current Tax		98,06,886.00	3,81,37,203.32
	Profit(Loss) from the perid from continuing operations			
XI		(IX-X)	4,26,98,826.34	7,83,14,361.91
	Profit/(Loss) from Discontinuing operations			
	Profit/(Loss) from Discontinuing operations (XII - XIII)			
	Deferred Tax		22,92,913.34	27,30,232.00
XII	Profit/(Loss) for the period		4,04,05,913.00	8,32,55,203.91
XIV	Earning per equity share:			
	(1) Basic		8.98	18.50
	(2) Diluted		8.98	18.50

Significant accounting policies

1

Notes to the financial statements

2-46

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date

For and on behalf of

KRISHAN K. GUPTA & CO.

CHARTERED ACCOUNTANTS

Firm Reg. No. : 000009N

(K.K. GUPTA)

Prop.

Membership No. : 08311

UDIN : 23008311BGVFS12460

PLACE : NEW DELHI

DATED : 11-09-2023



P.M.S Uppal  
Director  
DIN: 00253279

P.S Uppal  
DIRECTOR  
DIN : 00253329

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

CERTIFIED TRUE COPY

**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

**Notes Forming Integral Part of the Balance Sheet as at 31st March-2023****CORPORATE INFORMATION**

Hemla Embroidery Mills (P) Ltd is a company incorporated on 21st August 1958. The Company's registered office is 14/6, Mathura Road, Faridabad Haryana-121003. The Company is engaged in manufacturing of sale and Job work of Embroidery Cloth and Crochet Laces. The Company Having its manufacturing facility located at 14/6, Mathura Road, Faridabad as Unit-1 and plot No. 18, DLF ind. Area, Ph-1, as Unit-2 and also Having its Showroom at Nehru Place, New Delhi-110019.

**1 SIGNIFICANT ACCOUNTING POLICIES****1.1 GENERAL**

The accounts have been prepared on the basis of "HISTORICAL COST CONVENTION" in accordance with the generally accepted accounting policies.

The company follows "accrual method" of accounting except where otherwise stated.

Accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting standard issued by the Institute of Chartered Accountants of India and in its absence International Accounting Standards

**1.2 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment in the Balance Sheet are stated at cost of acquisition less accumulated depreciation, Cost is inclusive of all charges less input credit of GST

**1.3 DEPRECIATION**

Depreciation has been provided on WDV method as per rates prescribes under Schedule II of The Companies Act, 2013.

**1.4 INVESTMENTS**

The company does not have any Investments.

**1.5 INVENTORIES**

Raw Material is valued at cost. Finished Goods at Showroom is valued at cost price. Finished and Semi Finished Goods at factory is valued at Sale Price with an adjustment 20% (Net realizable value) as in the earlier years.

**1.6 REVENUE RECOGNITION**

Revenue from sale of goods recognized when the significant risk & reward of ownership have been transferred to the buyer, recovery of the consideration is certain, the associated costs and possible return of the goods can be measured reliably.

Revenue are recorded net of taxes and other similar charges.



For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

**Notes Forming Integral Part of the Balance Sheet as at 31st March-2023****1.7 CONTINGENT LIABILITIES**

No Provision has been made in the account for liabilities, which are contingent in nature. But if material, the same are disclosed by way of notes to accounts

**1.8 TAX ON INCOME**

Current Tax is determined in accordance with provision of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.

Deferred tax has been recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

**1.9 PRIOR PERIOD ADJUSTMENTS, EXTRA ORDINARY ITEMS AND CHANGES IN ACCOUNTING POLICY**

Prior Period adjustments, extra -ordinary items and changes in accounting policies having material impact on the financial affairs of the Company where ever considered necessary are disclosed

**1.10 RETIREMENT BENEFITS**

Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

**1.11 BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.



*[Handwritten signature]*

For Hemla Embroidery Mills Pvt. Ltd.

*[Handwritten signature]*  
Director/Authorised Signatory

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## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

## Note : 2 Share Capital

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	<u>AUTHORIZED CAPITAL</u> - 50,000 Equity Shares of Rs. 100/- each	50,00,000	50,00,000
		50,00,000	50,00,000
2	<u>ISSUED SUBSCRIBED &amp; PAID UP CAPITAL</u> - 45,000 Equity Shares of Rs. 100/- each, Fully Paid up	45,00,000	45,00,000
	Total in Rs.	45,00,000	45,00,000

Equity shareholders are only entitled to vote.

- ii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Opening Balance	Closing Balance
<u>Equity Shares with voting rights</u>		
<u>Year ended March 31, 2022</u>		
Number of shares	45,000	45,000
Amount in Rs.	45,00,000	4,500
<u>Year ended March 31, 2023</u>		
Number of shares	45,000	45,000
Amount in Rs.	45,00,000	4,500



For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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(181)

**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

iii. There are no rights, preferences and restrictions attached to any share.

iv. Details of shares held by each shareholder holding more than 5% shares

Class of Shares / Name of shareholder	March 31, 2023	%	March 31, 2022	%
Equity Shares with voting rights				
Pee Empro Exports Pvt Ltd	40,950	91.00%	40,950	91.00%

Share Held by Promoters at the end of the year		As on 31.03.2023		As on 31.03.2022		% change during the year
S.no	Promoter Name	No. of shares	% of total Shares	No. of shares	% of total Shares	
1	Mohinder Singh Uppal	100	0.22222	100	0.22222	Nil
2	Perninder Singh Uppal	1925	4.27777	1925	4.27777	Nil
3	Preet Mohinder Singh Uppal	1925	4.27777	1925	4.27777	Nil

**Note : 3 Reserve & Surplus**

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	<b>Surplus (Profit &amp; Loss Account)</b>		
	Balance brought forward from previous year	41,17,65,124.98	32,85,09,884.59
	General Reserve	7,80,97,025.79	7,80,97,025.79
	Gratuity Fund	55,500.00	1,38,843.00
	Revaluation Reserve	1,26,72,183.44	1,27,06,250.44
	Profit/(Loss) transferred for the period	4,04,05,913.00	8,32,55,240.00
		<b>54,29,95,747.21</b>	<b>50,27,07,243.82</b>



*Perninder Singh*  
/ *Uppal*

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For Hemla Embroidery Mills Pvt. Ltd.

*Perninder Singh*  
Director/Authorised Signatory



182

## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

Note : 4 Long Term Borrowings			
Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
	<u>Secured</u>		
1	Federal Bank Auto Loan A/c	33,79,740.00	-
2	HDFC Bank Ltd. (Car Loan)	-	60424.84
3	Kotak Mahindra Prime Ltd (Car Loan)	40,87,210.00	4843410.00
4	Karur Vysaya Bank Ltd (Term Loan against Hypothecation of plant & Machinery)	6,50,00,000.00	24403423.00
	Total in Rs.	7,24,66,950.00	2,93,07,257.84

## Note : 5 Trade Payable

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Sundry Creditors	1,85,53,618.32	3,85,71,059.89
	Total in Rs.	1,85,53,618.32	3,85,71,059.89

## Trade Payable ageing for the financial year 2022-2023

S.No.	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	1,85,53,618.32	-	-	-	1,85,53,618.32
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total					1,85,53,618.32

## Trade Payable ageing for the financial year 2021-2022

S.No.	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	3,85,71,059.89	-	-	-	3,85,71,059.89
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total					3,85,71,059.89

## Note : 6 Other Current Liabilities

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Advance from Customers	1,29,333.44	1,62,093.52
2	Statutory Liabilities	11,88,341.00	11,64,110.00
3	Expenses Payable	66,69,218.50	62,14,248.00
	Total in Rs.	79,86,892.94	75,40,451.52

## Note : 7 Short Term Provisions

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Provision for Income Tax / (MAT)	-	54,88,470.00
	Total in Rs.	-	54,88,470.00



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

HEMELA EMBROIDERY MILLS PVT LTD  
14/6, Main Mathura Road, Faridabad  
CIN: U74999HR195897000248

NOTE 8 - FIXED ASSETS

SCHEDULE 'A' OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2023

SCHEDULE 'A' OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.03.2023												
SR. No.	PARTICULARS	Gross Block				Depreciation				Net Block		
		COST AS ON 01.04.2022	Addition before 30.09.2022	Addition after 30.09.2022	Transferred during the Year	TOTAL COST AS ON 31.03.2023	TOTAL DEP. UP TO 01.04.2022	DEP. FOR THE YEAR	ADJUSTMENTS	DEP. UP TO 31.03.2023	W.D.V. AS ON 31.03.2023	W.D.V. AS ON 31.03.2022
1	AIR CONDITIONER	1,60,29,327.26	93,750.00	13,61,685.38	-	1,74,84,762.64	1,52,38,636.02	4,73,518.96	-	1,57,12,154.98	17,72,607.66	7,90,691.24
2	AUTOMOBILES	2,61,79,761.84	-	89,39,990.00	50,11,509.00	3,01,08,400.84	1,97,68,143.76	27,44,598.88	47,53,693.00	1,77,59,049.34	1,23,49,353.50	64,11,618.08
3	C.C.T.V. SYSTEM	2,88,534.00	85,549.80	-	-	3,74,083.80	2,79,999.52	22,394.92	-	3,02,394.44	71,689.36	8,534.48
4	COMPUTER	28,46,153.83	2,66,511.00	-	-	31,12,664.83	27,13,741.44	1,45,195.02	-	28,58,936.46	2,53,728.37	1,32,412.39
5	ELECTRIC FANS & COOLERS	4,10,730.04	-	-	-	4,10,730.04	4,05,137.20	-	-	4,05,137.20	5,592.84	5,592.84
6	ELECTRIC FITTING	73,007.40	-	-	-	73,007.40	71,521.40	-	-	71,521.40	1,486.00	1,486.00
7	ELECTRIC INSTALLATION	74,54,676.48	-	-	-	74,54,676.48	65,11,597.45	2,43,525.02	-	67,55,122.47	6,99,554.01	9,43,079.03
8	ELEVATOR	8,41,501.00	-	-	-	8,41,501.00	8,18,073.30	-	-	8,18,073.30	23,427.70	23,427.70
9	BUILDING	8,80,17,147.41	-	-	-	8,80,17,147.41	4,17,52,555.02	43,95,136.27	-	4,61,47,691.29	4,18,69,455.12	4,62,64,592.39
10	FACTORY LAND	4,71,45,506.00	-	-	-	4,71,45,506.00	-	-	-	-	4,71,45,506.00	4,71,45,506.00
11	FAX MACHINE	70,962.02	-	-	-	70,962.02	68,681.64	-	-	68,681.64	2,280.38	2,280.38
12	FURNITURE & FIXTURE	49,11,797.89	65,012.00	17,700.00	-	49,94,509.89	44,10,471.92	1,26,151.64	-	45,36,625.56	4,57,894.33	5,01,325.97
13	GENERATOR	78,71,057.20	25,00,000.00	60,62,000.00	18,39,227.00	1,45,93,830.20	53,32,051.29	23,59,814.12	14,84,194.00	62,07,671.41	83,06,158.79	25,39,005.91
14	INTERCOM	32,687.87	-	-	-	32,687.87	32,320.88	-	-	32,320.88	366.99	366.99
15	INVERTOR	2,69,941.62	-	-	-	2,69,941.62	2,25,909.13	19,845.34	-	2,45,754.47	24,187.15	44,032.49
16	OFFICE/FACTORY EQUIPMENTS	45,66,299.10	1,18,402.00	-	-	46,84,691.10	43,14,711.87	1,13,230.62	-	44,27,942.49	2,56,748.61	2,51,577.23
17	PHOTOCOPY MACHINE	3,92,732.98	-	-	-	3,92,732.98	3,77,116.91	2,798.00	-	3,79,914.91	12,808.07	15,606.07
18	PUMP & MACHINERY	46,89,37,771.64	-	-	-	46,89,37,771.64	34,25,99,438.51	2,65,11,792.54	2,89,63,227.00	34,11,49,004.05	21,54,78,864.18	12,53,38,333.13
19	REFRIGERATOR	1,40,195.23	-	11,76,76,461.59	2,99,87,365.00	55,66,25,888.23	1,30,247.95	3,209.00	-	1,33,456.95	9,947.28	9,947.28
20	SOLAR INVERTOR	15,00,000.00	-	-	-	15,00,000.00	9,35,057.65	1,02,254.54	-	10,37,312.19	4,62,687.81	5,64,940.35
21	TANK	2,751.00	-	-	-	2,751.00	2,613.47	-	-	2,613.47	137.53	137.53
22	TEMPO	15,23,498.00	-	-	-	15,23,498.00	13,82,584.55	55,379.00	-	14,37,963.55	85,534.45	1,40,913.45
23	TUBE WELL	16,93,784.59	-	-	-	16,93,784.59	16,50,204.92	-	-	16,50,204.92	43,579.67	43,579.67
24	WASHING MACHINE	20,800.00	-	-	-	20,800.00	20,196.05	-	-	20,196.05	603.95	603.95
25	WATER COOLER	19,63,007.39	-	-	-	19,63,007.39	18,94,824.25	-	-	18,94,824.25	68,183.14	68,183.14
26	WATER HEATER	12,857.00	-	-	-	12,857.00	12,504.10	-	-	12,504.10	352.90	352.90
27	STRUCTURE ON LEASE PREMISES	14,20,939.00	-	-	-	14,20,939.00	14,16,392.05	-	-	14,16,392.05	74,546.95	74,546.95
	PREVIOUS YEAR FIGURES	68,46,87,407.79	31,29,324.80	13,40,57,796.97	3,68,37,901.00	78,50,36,528.56	45,33,64,732.25	3,73,18,845.57	3,32,01,114.00	45,54,82,463.82	32,95,54,064.74	23,13,22,675.54

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For Hemla Embroidery Mills Pvt. Ltd.  
*[Signature]*  
Director/Authorised Signatory

AS PER OUR REPORT OF EVEN DATE ANNEXED

K.K. GUPTA  
PROPRIETOR  
FOR AND ON BEHALF OF  
KRISHAN K. GUPTA & CO.  
CHARTERED ACCOUNTANTS

*[Signature]*  
(DIRECTORS)

**HEMLA EMBROIDERY MILLS (P) LTD**  
 Regd. Office: 14/6, Main Mathura Road, Faridabad  
 CIN: U74999HR1958PTC002248  
 Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

184

**Note : 9 Deferred Tax**

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
	Deferred Tax	70,87,816.66	93,80,730.00
	<b>Total in Rs.</b>	<b>70,87,816.66</b>	<b>93,80,730.00</b>

**Note : 10 Long Term Loans and Advances**

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Advance to Vatika against Purchase of Property	1,71,11,820.00	1,71,11,820.00
2	Income Tax recoverable	50,16,169.89	5,49,720.74
3	Interest receivable	55,25,267.02	27,68,894.92
	<b>Total in Rs.</b>	<b>2,76,53,256.91</b>	<b>2,04,30,435.66</b>

**Note : 11 Other Non Current Assets**

Amount in Rs.

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
	<b>Deposits</b>		
1	Security Deposits	35,65,188.00	31,83,914.00
2	Project Promotion Expenses	86,239.04	1,72,479.04
	<b>Total in Rs.</b>	<b>36,51,427.04</b>	<b>33,56,393.04</b>

**Note : 12 Inventories**

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Raw Material	53,92,364.10	80,43,487.97
2	General Stores	1,14,24,831.05	1,07,41,551.87
3	Finished Goods	1,13,41,414.12	1,13,34,576.12
4	Work in Progress	8,35,204.00	8,89,475.96
	(Finished Goods at cost or market value whichever is lower, Raw Material / Packing Material at Cost and Work in Progress at Raw Material, direct labour and overhead cost.)		
	As per inventories taken, valued and certified by the Management		
	<b>Total in Rs.</b>	<b>2,89,93,813.27</b>	<b>3,10,09,091.92</b>

**Note : 13 Trade Receivables**

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Sundry Debtors	7,90,84,201.83	9,42,20,043.06
	<b>Total in Rs.</b>	<b>7,90,84,201.83</b>	<b>9,42,20,043.06</b>



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For Hemla Embroidery Mills P  
*[Handwritten Signature]*  
 Director/Authorised

## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

185

## Note : 9 Deferred Tax

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
	Deferred Tax	70,87,816.66	93,80,730.00
	Total in Rs.	70,87,816.66	93,80,730.00

## Trade Receivables ageing for the financial year 2022-2023

S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	7,28,63,445.87	4,88,662.12	4,27,090.38	46,389.00	-	7,38,25,587.37
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	49,90,620.00	49,53,228.46
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	3,05,380.00	3,05,386.00
	Total						7,90,84,201.83

## Trade Receivables ageing for the financial year 2021-2022

S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	8,74,64,993.06	9,96,500.00	1,49,900.00	-	-	8,86,11,393.06
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	49,90,620.00	3,12,650.00	53,03,270.00
(iii)	Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	3,05,380.00	3,05,380.00
	Total						9,42,20,043.06

## Note : 14 Cash &amp; Cash Equivalent

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
1	Cash-in-Hand Cash Balance	4,17,901.62	6,27,124.22
	Sub Total (A)	4,17,901.62	6,27,124.22
2	Balances with Scheduled Banks In Current Accounts	2,72,37,664.97	5,77,65,887.81
	Fixed Deposit (Including Interest Accrued)	13,88,32,964.00	13,80,98,317.00
	Sub Total (B)	16,60,70,628.97	19,58,64,204.81
	Total [ A + B ]	16,64,88,530.59	19,64,91,329.03

## Note : 15 Short Terms Loans and Advances

Sr. No	Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
	Advance Recoverable in cash or in kind or for value to be considered good		
1	Employees Advance	6,50,500.00	5,10,000.00
2	Advance to suppliers	9,71,091.67	1,31,774.00
3	Advance Recoverable: GST Input	23,68,505.76	12,62,010.82
	Total in Rs.	39,90,097.43	19,03,784.82



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For Hemla Embroidery Mills Pvt. Ltd.

Handwritten signature and title: Director/Authorised Signatory



## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit &amp; Loss Accounts for the period ending 31st March 2023

## Note : 16 Revenue from Operations

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
1	Embroidery Cloth	3,56,33,003.74	2,66,01,909.03
2	Corocia Laces	46,86,031.53	2,84,52,319.43
3	Job Work Received	29,86,88,943.61	35,16,10,991.26
4	Design Development	8,83,000.00	9,44,000.00
5	Sundry Goods	20,81,007.55	12,14,341.58
6	Plain Cloth	34,54,084.32	78,88,323.59
7	Yarn	18,38,026.21	41,24,226.64
8	Deemed Exports (Embroided Fabric)	5,52,48,296.91	12,50,36,613.20
9	Knitted Fabrics	-	161.70
10	Print Fabrics	1,41,507.00	2,35,930.75
11	Poly Yarn	32,400.00	-
12	Rachel Fabrics	90,314.50	82,011.75
	Total in Rs.	40,27,76,615.37	54,61,90,828.93

## Note : 17 Other Income

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
1	Interest Received	78,48,852.50	47,19,218.00
2	Profit on Sale of Assets	91,59,317.00	1,56,729.95
3	Diff. in Exchange Rate Fluctuation	22,917.59	48,366.57
4	Rent Received	1,60,000.00	1,92,000.00
5	Misc. Income	97,04,497.00	702.00
6	Unclaimed Balances	17,195.40	-
7	Revaluation Reserve Written Back	34,067.00	37,643.00
	Total in Rs.	2,69,46,846.49	51,54,659.52

## Note : 18 Cost of Material Consumed

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
	<b>RAW MATERIALS</b>		
	Opening Stock	1,87,85,039.84	2,98,42,699.37
	Add : Purchase of Raw Material & Others	11,98,02,645.46	16,21,11,775.66
		13,85,87,685.30	19,19,54,475.03
	Less : Closing Stock of Raw Material	1,68,17,195.15	1,87,85,039.84
	<b>Material Consumed</b>	<b>12,17,70,490.15</b>	<b>17,31,69,435.19</b>

## Note : 19 Change of Inventories

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
a	<b>Finished Goods</b>		
	Opening Stock	1,13,34,576.12	1,03,11,816.93
	Less : Closing Stock	1,13,41,414.12	1,13,34,576.12
	<b>Total-A</b>	<b>(6,838.00)</b>	<b>(10,22,759.19)</b>
b	<b>Work In Progress</b>		
	Opening Stock	8,89,475.36	8,14,228.15
	Less : Closing Stock	8,35,204.00	8,89,475.96
	<b>Total-B</b>	<b>54,271.36</b>	<b>(75,247.81)</b>
	<b>Change in closing Stock</b>	<b>47,433.36</b>	<b>(10,98,007.00)</b>



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit &amp; Loss Accounts for the period ending 31st March 2023

## Note : 20 Employee Benefit Expenses

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
1	Establishment Expenses	4,38,55,170.00	3,40,35,813.00
2	Contribution to Provident and Other Funds	28,20,619.00	26,62,740.00
3	Staff Welfare Expenses	17,12,109.92	9,79,021.40
	Total in Rs.	4,83,87,898.92	3,76,77,574.40

## Note : 21 Financial Cost

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
1	Bank Charges	5,02,480.56	1,48,272.98
2	Interest on loan	27,99,365.16	34,79,599.45
	Total in Rs.	33,01,845.72	36,27,872.43

## Note : 22 Depreciation &amp; Amortised Cost

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
1	Depreciation	3,73,18,845.57	3,83,85,982.26
	Total in Rs.	3,73,18,845.57	3,83,85,982.26



For Hemla Embroidery Mills Pvt. Ltd

Director/Authorised Signatory

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188

# HEMLA EMBROIDERY MILLS (P) LTD.

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit & Loss Accounts for the period ending 31st March 2023

## Note : 23 Other Expenses

Sr. No	Particulars	Current Yearas on 31-03-2023	Previous Yearas on31-03-2022
	<b>Manufacturing Expenses</b>		
1	Power & Fuel	2,22,22,961.19	2,50,21,823.93
2	Insurance	21,23,459.42	16,54,075.32
3	Loading & Unloading Charges	13,10,023.00	17,49,661.50
4	Repair & Maintenance - Plant & Machinery	36,37,594.58	23,71,001.31
5	Repair & Maintenance - Factory Building	17,32,647.00	2,02,203.37
6	Repair & Maintenance - Others	9,66,507.92	3,57,650.86
7	Bleaching & Dyeing Charges	2,60,935.56	9,70,269.10
8	Job Work Paid	3,29,81,604.62	5,25,95,875.46
9	Contractual Labour	6,06,78,680.00	6,25,96,581.00
10	Wages & Others	1,66,80,796.26	1,63,22,942.27
	<b>Subtotal (A)</b>	<b>14,25,95,209.55</b>	<b>16,38,42,084.12</b>
	<b>Administrative Expenses</b>		
1	Rates & Taxes	5,07,048.63	4,81,116.92
2	Printing & Stationery	4,20,417.76	4,15,588.80
3	Travelling and Conveyance Expenses	2,98,276.00	1,02,153.00
4	Vehicle Running Expenses	18,04,527.93	13,08,446.49
5	Postage & Telegram & Telephone Exp.	4,71,064.83	4,32,875.95
6	Professional Expenses	33,14,209.00	34,54,230.00
7	Project Promotion Expenses	86,240.00	86,240.00
8	General Charges	16,80,905.67	13,03,731.83
9	Advertisement & Publicity	3,29,030.72	3,74,942.06
10	Packing Carriage & Forwarding	7,92,587.48	6,19,560.96
11	Rep. & Maintenance-Others	31,05,184.91	17,16,544.74
12	Rent Paid	48,00,000.00	48,00,000.00
13	Rebate & Discount	10,66,918.58	85,659.65
14	Charity & Donation	13,67,560.00	27,210.00
15	Communication Charges	40,000.00	40,000.00
16	House Keeping Expenses	25,98,012.00	24,61,809.42
18	Short/Excess Payment of GST	81,342.00	277.00
19	Software Development Charges	6,28,960.00	1,48,290.00
20	<b>Payment to Auditors</b>		
	Audit Fee	3,25,000.00	3,25,000.00
	<b>Subtotal (B)</b>	<b>2,37,17,285.51</b>	<b>1,81,83,676.82</b>
	<b>Total in Rs.(A+B)</b>	<b>16,63,12,495.06</b>	<b>18,20,25,760.94</b>



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For Hemla Embroidery Mills Pvt. Ltd

Director/Authorised Signatory

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CSR Calculation of F.Y. (22-23) of Hemla Embroidery Mills Pvt Ltd.

Net Profit Before Tax - FY (19-20)	16,245,068.27
Net Profit Before Tax - FY (20-21)	26,617,102.75
Net Profit Before Tax - FY (21-22)	117,556,870.23
<b>TOTAL</b>	<b>160,419,041.25</b>

Average Profit of above three Financial Year	53,473,013.75
Profit Required to be spent on CSR (2 % of average net profit for last 3 years as above )	10,69,460.28

Expenditure required as per CSR for A. Y. 23-24 ₹ 10,69,460

Total donations deposited

Other Donation

Expenditure allowed as per CSR only (PM FUND)

(Details of other donations should be qualified for CSR activities if not then this donation should not be meet as CSR Expenditure)

Unspend CSR Expenditure for AY (23-24) ₹ 10,69,460

**Unspend CSR Expenditure for AY (23-24) ₹ 10,69,460**



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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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190

# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31st March-2023

Amount In Rupees

24 Current Assets Valuation:- In the opinion of the board of Directors , the current assets ,Loan & advances are approximately of the value dated of realization in the ordinary course of buisness, less otherwise stated:-

25 Finished goods closing Stock includes job work charges not billed amount to Rs.17,17,425.70

## 26 REMUNERATION TO AUDITORS

Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
Audit Fees	3,00,000.00	3,00,000.00
Other Capacity	25,000.00	25,000.00
	<b>3,25,000.00</b>	<b>3,25,000.00</b>

## 27 Deferred Tax Liability (net)

Particulars	Current Year as on 31-03-2023	Previous Year as on 31-03-2022
A. Deferred Tax Liability (Depreciation)	0.00	0.00
B. Deferred Tax Asset	93,80,730	66,50,498
Net Deferred tax liability / (assets) (A-B)	70,87,816.66	93,80,730.00
Deferred tax debited / (credited) to P & L A/c	22,92,913.34	2730232

## 28 RETIREMENT BENEFITS

### A. Defined Benefit Plan

(a) Pursuant to adoption of AS 15 as revised by ICAI, The company has adopted policy of making payment towards retirement benefits and leave enchasements on payment basis and the same will be accounted for as & when paid which is not in accordance.

### B. Defined Contribution Plan

The Provision of gratuity & earned leave with wages has not been made .The same will be dealt as and when paid .However ,the amount of gratuity & earned leave with wages Liability as on March 31,2022 comes to approx.

Particulars	F.Y 2022-23	F.Y 2021-22
Gratuity	99,45,217.00	1,29,07,590.00
Leave & wages	28,48,854.00	33,12,400.00
Total	<b>1,27,94,071.00</b>	<b>1,62,19,990.00</b>



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*[Handwritten signature]*

For Hemla Embroidery Mills Pvt. Ltd.  
*[Handwritten signature]*  
Director/Authorised Signatory

191

29. Related Party Disclosures

Names of related parties and related party relationship

Related parties where control exists

Enterprises under common control

Particulars

Pee Empro Exports Pvt.Ltd

Creative Dying & Printing Mills Pvt.Ltd

Nature of Relationship

Holding Company

Associate Company

Key management personnel

S. Perminder Singh Uppal

S.Prit Mohinder Singh Uppal

S. Mohinder Singh Uppal

Relative of key management personnel and their related parties

Pee Empro Exports Pvt.Ltd

Creative Dying & Printing Mills Pvt.Ltd

Mr. Kabir Uppal

Ms.Sheena Uppal

Particulars	B		C		Amount In Rupees (A+B+C)	
	Enterprises under common control		Key management personnel (KMP)/ relatives of KMPs, and their related parties		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
A. Transactions during the year						
C. Remuneration to Key Management Personnel						
Salary to Directors						
S. Perminder Singh Uppal			36,28,800	36,25,800	36,28,800	36,25,800
S.Prit Mohinder Singh Uppal			36,00,000	36,00,000	36,00,000	36,00,000
Relative of key management personnel and their related parties						
Salary						
Mr. Kabir Uppal			18,61,250	16,20,494	18,61,250	16,20,494
Ms.Sheena Uppal			10,73,278	-	10,73,278	-
Purchases						
Creative Dying & Printing Mills Pvt.Ltd			34,074	1,46,381	34,074	1,46,381
Rent						
S. Perminder Singh Uppal			24,00,000	24,00,000	24,00,000	24,00,000
S.Prit Mohinder Singh Uppal			24,00,000	24,00,000	24,00,000	24,00,000
Sales						
Pee Empro Exports Pvt.Ltd			2,84,33,279	4,56,28,781	2,84,33,279	4,56,28,781
Creative Dying & Printing Mills Pvt.Ltd			6,37,500	-	-	-
Job Work						
Pee Empro Exports Pvt.Ltd			7,73,27,086	11,46,56,651	7,73,27,086	11,46,56,651
Creative Dying & Printing Mills Pvt.Ltd			2,52,900	-	-	-
Consultancy Services						
Ms.Sheena Uppal			6,00,000	9,68,780	6,00,000	9,68,780



*[Handwritten Signature]*

For Hemla Embroidery Mills Pvt. Ltd.

*[Handwritten Signature]*

Director/Authorised Signatory

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192

Amount in Rupees

### 30.Earnings Per Share (EPS)

The following reflects the net profit and equity shares information used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Profit/(Loss) after tax (₹ '000)	4,04,05,913	8,32,55,204
Weighted average number of equity shares in calculating basic EPS ('000)	45,00,000	45,00,000
Basic and Diluted EPS (₹ '000 )	8.98	18.50

### Calculation of Weighted Average Number of Equity Shares

	March 31, 2023	March 31, 2022
No of equity shares at the beginning of the year	45,00,000	45,00,000
Shares allotted during the year	-	-
Weighted Average Number of Equity Shares	45,00,000	45,00,000



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For Hemla Embroidery Mills Pvt. Ltd.  
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Director/Authorised Signatory

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## 31 Financial Ratios

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	10.50	6.27	0.67	
Debt-equity ratio	Total Debt	Shareholder's Equity	0.13	0.06	1.29	
Debt service coverage ratio	Earnings available for debt service	Debt Service	1.22	10.23	-0.88	Decrease in sales results into Lesser earnings available for debt service. Hence, Ratio is improved.
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	0.07	0.16	-0.55	Decrease in sales results into Lesser profits.. Hence, Ratio is improved.
Inventory turnover ratio	Cost of goods sold	Closing Inventory	1.07	1.63	-0.35	Efficiency in Operations results into improvement of Ratio.
Trade receivables turnover ratio	Total Sales	Closing Trade Receivable	1.16	1.67	-0.30	Efficiency in Operations results into improvement of Ratio.
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	1.05	1.52	-0.31	Efficiency in Operations results into improvement of Ratio.
Net capital turnover ratio	Total Sales	Average Working Capital	1.57	2.17	-0.28	
Net profit ratio	Net Profit	Net Sales	0.12	0.21	0.43	Decrease in sales results into lesser profits.. Hence, Ratio is improved.
Return on capital employed	Earning before interest and taxes	Capital Employed	0.10	0.45	-0.78	Increase in sales results into lesser profits.. Hence, Ratio is improved.
Return on investment	Net Profit	Average Shareholder's Equity	8.98	18.50	0.51	Increase in sales results into lesser profits.. Hence, Ratio is improved.

## 32 Details of Amount Dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprise to whom the company overdues, which are outstanding for more than 45 days as of March 31, 2023. This information is required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available to the company. Therefore, disclosure relating to interest paid / payable under this Act has not been given.

## 33 Expenditure in Foreign Currency

Imported Purchase  
Material  
Capital Goods



For Hemla Embroidery Mills Pvt. Ltd.

*[Signature]*  
Director/Authorised Signatory

March 31, 2023 March 31, 2022

21,92,598 30,52,417  
10,97,84,900

*[Signature]*  
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194

Travelling

11,19,77,498 30,52,417

34 Earnings in Foreign Currency

March 31, 2023 March 31, 2022

Sale of Products

- 35 The Company has not taken any loan or provided any guarantee or security hence it is not declared as willful defaulter by any bank or financial institution or any other lender during the period under review.
- 36 Joint Excise & Taxation Commissioner, Faridabad has remanded the matters relating to A.Y 2011-12 & 2012-13 to the Assessing officer for re-calculation of demand. However, the company accounted for and paid the minimum demand of Rs.35,00,000 for A.Y 2011-12 and Rs.6,52,525 for A.Y 2012-13 based on earlier assessments, which have been remanded back & Assessment is pending.
- 37 The Company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year ended March 31, 2023
- 38 There is no any proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 39 The company has prepared these financial statements, as per the format, prescribed by schedule III of the Companies Act, 2013 (the schedule), issued by Ministry of Corporate Affairs. All the figures are in thousands and number of shares are in absolute number. Previous year figures have been recast/restated and reclassified, wherever necessary to confirm the classification of the current year 2023
- 40 Further, 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
- 41 The company does not have any charges or satisfaction yet to be registered with registrar of companies beyond the statutory period.
- 42 The Company has not traded or invested in crypto currency or virtual Currency during the financial year ended March 31, 2023
- 43 The company has not granted any loans or advances to promoters, directors, KMPs and the related parties either severally or jointly with any other person
- 44 The company is liable to incurred CSR Expenditure of Rs. 10,69,460/- in accordance with u/s 135 and u/s 198 of the Companies Act 2013. The Company has incurred Rs. 10,69,460/- against this amount till 31.03.2023
- 45 The other clauses of the Schedule III Core Amendment 2021 of the Companies Act 2013 are not applicable, since the company does not have any transactions requiring disclosure under accounting standard AS 7 (Construction Contract), AS 12 (Accounting for Government Grant), AS 14 (Accounting for Amalgamation), AS 19 (Leases), AS 24 (Discontinuing Operations), AS 28 (Impairment of Assets)
- 46 Previous year figures  
The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date  
Krishan K. Gupta & Co.  
Chartered Accountants  
Firm Reg. No.: 000009N

K. K. Gupta  
Proprietor  
Membership No.: 008311

Place : New Delhi  
Date : 11-09-2023



For and on behalf of the board of directors of  
Hemla Embroidery Mills (P) Ltd

P.S Uppal  
Director  
DIN:

P.M.S Uppal  
Director  
DIN:

For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

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**PEE EMPRO EXPORTS PRIVATE LIMITED**

**CIN:-U74899HR1980PTC115338**

**Regd. Office: Plot No- 78 , Sector 27A ,Main Mathura Road , Faridabad- 121003 ,Haryana .**

**PROVISIONAL UN-AUDITED BALANCE SHEET AS ON SEPTEMBER 30, 2023**

**105**

		Amount in Rupees		
ANNEXURE NO. A-1/3		Note No.	As on 30 Sep, 2023	As at March 31, 2023
<b>I</b>	<b>Equity and liabilities</b>			
	<b>1 Shareholders' funds</b>			
	a. Share capital	3	4,80,00,000	4,80,00,000
	b. Reserves and surplus	4	2,77,98,26,601	2,63,81,25,055
			<b>2,82,78,26,601</b>	<b>2,68,61,25,055</b>
	<b>2 Non-current liabilities</b>			
	a. Long-term borrowings	5	25,63,543	44,99,775
	b. Deferred tax liabilities (Net)	6	69,13,688	69,13,688
			<b>94,77,231</b>	<b>1,14,13,463</b>
	<b>3 Current liabilities</b>			
	a. Trade payables	7	-	-
	(i) Total outstanding dues of micro and small enterprises			
	(ii) Total outstanding dues of creditors other than micro and small enterprises		35,33,26,188	41,91,36,939
	b. Other current liabilities	8	1,32,93,829	1,74,35,480
	c. Short-term provisions	9	4,24,82,653	23,54,54,384
			<b>40,91,02,670</b>	<b>67,20,26,804</b>
			<b>3,24,64,06,501</b>	<b>3,36,95,65,322</b>
<b>II</b>	<b>Assets</b>			
	<b>1 Non-current assets</b>			
	a. Property, Plant & Equipment and Intangible assets			
	(i) Property , Plant and Equipment		1,17,94,59,152	1,05,24,76,739
	(ii) Intangible assets			
	(iii) Capital work in progress			
	(iv) Intangible assets under development			
	b. Non- current investment	10	88,84,66,795	60,24,61,715
	c. Long-term loans and advances	11	21,88,38,419	27,39,69,068
			<b>2,28,67,64,366</b>	<b>1,92,89,07,522</b>
	<b>2 Current assets</b>			
	a. Inventories		32,56,13,835	29,92,87,499
	b. Trade receivables	12	15,38,90,235	43,26,53,303
	c. Cash and cash equivalents	13	23,13,28,559	49,58,64,340
	d. Short-term loans and advances	14	24,88,09,506	21,28,52,658
			<b>95,96,42,135</b>	<b>1,44,06,57,800</b>
			<b>3,24,64,06,501</b>	<b>3,36,95,65,322</b>

Significant accounting policies

,1-2

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

For and on behalf of the Board of Directors

**PEE EMPRO EXPORTS PRIVATE LIMITED**

*[Signature]* *[Signature]*

**P.S Uppal**

Director

DIN : 00253329

**P.M.S Uppal**

Director

DIN : 00253279

Place: Delhi

Date: 04th November,2023

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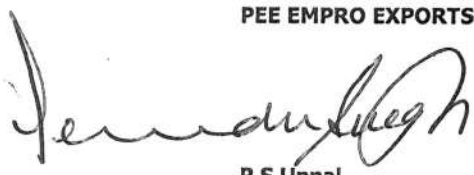
For Pee Empro Exports Pvt. Ltd/

*[Signature]*  
Director/Authorised Signatory

<b>PEE EMPRO EXPORTS PRIVATE LIMITED</b> <b>CIN:-U74899HR1980PTC115338</b> <b>Regd. Office: Plot No- 78 , Sector 27A ,Main Mathura Road , Faridabad- 121003 ,Haryana .</b> <b>PROVISIONAL UN- AUDITED STATEMENT OF PROFIT AND LOSS AS ON SEPTEMBER 30 , 2023</b>			
		<i>Amount in Rupees</i>	
	Note No.	As on 30 Sep, 2023	Year ended March 31, 2023
1. Revenue from operations	15	2,04,23,29,991	4,74,78,77,555
2. Other income	16	13,32,96,839	52,47,66,798
3. <b>Total revenue (1+2)</b>		<b>2,17,56,26,832</b>	<b>5,27,26,44,352</b>
4. <b>Expenses</b>			
a. Cost of materials consumed	17	1,83,10,99,525	4,16,41,10,420
b. Employee benefits expense	18	4,20,46,198	10,19,68,178
c. Finance costs	19	2,81,76,339	4,58,96,822
d. Depreciation and amortisation expense	20	-	9,76,02,162
e. Other expenses	21	13,26,03,225	26,71,65,197
<b>Total expenses</b>		<b>2,03,39,25,287</b>	<b>4,67,67,42,779</b>
5. <b>Profit before tax and exceptional items (3-4)</b>		<b>14,17,01,545</b>	<b>59,59,01,573</b>
6. <b>Exceptional items</b>			
a. Impairment loss on Property, Plant and Equipment		-	-
b. Other receivable balances written-off		-	-
<b>Total exceptional items</b>		-	-
7. <b>Profit before tax (5-6)</b>		<b>14,17,01,545</b>	<b>59,59,01,573</b>
8. <b>Tax expense:</b>			
a. Current tax expense		-	17,21,28,907
b. Short / (Excess) provision for current tax in respect of earlier years		-	-
c. Deferred tax		-	24,57,290
<b>Total tax expense</b>		-	<b>17,45,86,197</b>
9. <b>Profit after tax (7-8)</b>		<b>14,17,01,545</b>	<b>42,13,15,376</b>
10. <b>Earnings per equity share (face value Rs. 10 per share)</b> - Basic and Diluted		-	-

Significant accounting policies ,1-2  
The accompanying notes are an integral part of these financial statements.

For and on behalf of the Board of Directors  
**PEE EMPRO EXPORTS PRIVATE LIMITED**




**P.S Uppal**  
Director  
DIN : 00253329



**P.M.S Uppal**  
Director  
DIN : 00253279

Place: Delhi  
Date: 04th November, 2023

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For Pee Empro Exports Pvt. Ltd.  
  
Director/Authorised Signatory

**NOTE 1 & 2 – ACCOUNTING POLICIES AND NOTES TO the ACCOUNTS**

**AS ON SEPTEMBER 30, 2023**

**A. SIGNIFICANT ACCOUNTING POLICIES**

(I). **Corporate Information:** Pee Empro Exports Pvt Ltd [Corporate Identity Number (CIN): U74899HR1980PTC115338; Income Tax Permanent Account No. (PAN): AAACP3293P] (hereinafter referred to as "the Company") was incorporated under the provisions of the Companies Act, 1956, as a private limited company vide Certificate of Incorporation dated 18th June, 1980, issued by the Registrar of Companies, NCT of Delhi & Haryana, New Delhi. Registered Office of the Company was shifted from the NCT of Delhi to the State of Haryana as approved by the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; vide Order dated 19th September, 2023. The Registrar of Companies, NCT of Delhi & Haryana, New Delhi registered the aforesaid Order and allotted a new CIN to the Company.

Pee Empro Exports Pvt Ltd is primarily engaged in manufacturing and export of readymade garments. The Company is a recognized Export House registered with Apparel Export Promotion Council (AEPC). Apart from the core business of manufacturing and export of readymade garments, the Company is also engaged in investments business.

(II). **Basis of Preparation of Financial Statements**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values and comply with the Accounting Standard prescribed by Companies (Accounting Standards) Rule-2006, as amended, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013 ("the Act") to the extent applicable.

1. **Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles ("GAAP") in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liability as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively in future period.

2. **PROPERTY, PLANT & EQUIPMENT AND DEPRICIATION**

(i) Property, Plant & Equipment are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing cost relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

(ii) Provision for depreciation will be done at year end only, hence not provided in the provisional balance sheet as on 30 September 2023.

3. **INVENTORIES**

Inventories, of Raw Material, Consumables and Packing Material are valued at cost of Finished Goods & Traded Products at lower of cost or net realizable value and of damaged goods at estimated net realizable value.

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

- : 2: -

Contd. **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS** (September 30, 2023)  
(Pee Empro Exports Pvt. Ltd., New Delhi)

4. **INVESTMENTS**

- (i) Long-term investments are carried at cost less any other than temporary diminution in value, determined on the specific identification basis.
- (ii) Current investments are carried at lower cost of fair value. The comparison of cost and fair value is carried out separately in respect of each investment.
- (iii) Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment.

5. **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in cash flow statement comprises cash in hand and balance in bank current accounts, deposit accounts and in margin money deposits.

6. **TAX EXPENSE**

Income tax will be done at year end only, hence not provided in the provisional balance sheet as on 30 September 2023.

7. **RETIREMENT BENEFITS**

As per past practice Gratuity and Leave Pay are being accounted for at the time of actual payment, which is not in accordance with Accounting Standard 15 issued by ICAI.

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory



Note 3 - Share capital

	As at September 30, 2023		As at March 31, 2023	
	Number	Rupees	Number	Rupees
<b>Authorised</b> Equity shares of Rs. 100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
<b>Issued, subscribed and fully paid-up</b> 480000 Equity shares of Rs. 100 each with voting rights Includes 450000 Bonus Shares Rs.100 each	4,80,000	4,80,00,000	4,80,000	4,80,00,000
<b>Total</b>	<b>4,80,000</b>	<b>4,80,00,000</b>	<b>4,80,000</b>	<b>4,80,00,000</b>

i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at September 30, 2023		As at March 31, 2023	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning and at the end of the year	4,80,000	4,80,00,000	4,80,000	4,80,00,000

ii. Rights, preferences and restrictions attached to equity shares:

The Company has issued one class of equity shares having face value of Rs. 10 each. Each shareholder is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. In proportion to their shareholding.

iii. Details of shares held by the Holding Company, subsidiaries of Ultimate Holding Company and details of shareholders holding more than 5% shares in the Company:

	As at September 30, 2023		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
S. Perminder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%

vi. Details of shares held by promoters at the end of the year in the Company:

Promoter Name	No of Shares	% of total Shares	% change during the year
S. Perminder Singh Uppal	2,40,000	50.00%	0.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	0.00%

Note 4 - Reserves and surplus

	As on 30 Sep, 2023	As at March 31, 2023
General reserve (At the commencement and at the end of the year)	-	-
Surplus in the statement of Profit and Loss	24,39,49,785	24,39,49,785
Balance as at the beginning of the year	2,39,41,75,270	1,94,32,49,903
Add:- Surplus Refund on Income Tax AY(2021-2022)	-	48,970
Add:- Excess Provision for Previous Year AY(2022-2023)	-	2,95,61,021
Add: Profit for the year	14,17,01,545	42,13,15,376
Balance as at the end of the year	<b>2,77,98,26,601</b>	<b>2,63,81,25,055</b>
<b>Total</b>	<b>2,77,98,26,601</b>	<b>2,63,81,25,055</b>

Note 5 - Long-term borrowings

	As on 30 Sep, 2023	As at March 31, 2023
<b>Secured loan</b> Loan From Banks	5,15,605	22,04,448
<b>Unsecured loan</b> Loan From Directors	20,47,938	22,95,327
<b>Total</b>	<b>25,63,543</b>	<b>44,99,775</b>

Note 6 - Deferred Tax Liabilities

	As on 30 Sep, 2023	As at March 31, 2023
<b>Deferred tax Liabilities</b> Difference between book balance and tax balance of fixed assets	69,13,688	69,13,688
<b>Total</b>	<b>69,13,688</b>	<b>69,13,688</b>

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

Note 7 - Trade Payables

Ageing for Trade payables outstanding as on 30, Sep 2023 is as follows:-

Amount in Rupees

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	35,33,26,188				35,33,26,188
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>35,33,26,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,33,26,188</b>

Ageing for Trade payables outstanding as at March 31, 2023 is as follows:-

Amount in Rupees

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	40,96,47,272	4,02,162	5,69,293	85,18,212	41,91,36,939
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>40,96,47,272</b>	<b>4,02,162</b>	<b>5,69,293</b>	<b>85,18,212</b>	<b>41,91,36,939</b>

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Note 8 - Other current liabilities

	As on 30 Sep, 2023	As at March 31, 2023
Security Deposits	47,85,988	47,85,988
Advances to Customers	11,37,480	-
<b>Statutory dues</b>		
- GST	32,175	52,995
- Provident Fund	20,28,673	45,45,262
- ESIC	2,12,318	5,47,025
- Tax Deducted at Source	50,88,895	74,93,570
- Tax Collected at Source	8,300	10,640
<b>Total</b>	<b>1,32,93,829</b>	<b>1,74,35,480</b>

Note 9 - Short term provisions

	As on 30 Sep, 2023	As at March 31, 2023
<b>(a) Provision for employee benefits:</b>		
- Provision for compensated absences	-	-
- Provision for gratuity (see note 25)	-	-
<b>(b) Provision - others:</b>		
Provision for Taxation	-	17,21,28,907
Electricity Payable	-	31,52,799
Expenses Payable	4,22,82,653	5,99,72,678
Audit Fees Payable	2,00,000	2,00,000
	<b>4,24,82,653</b>	<b>23,54,54,384</b>
<b>Total</b>	<b>4,24,82,653</b>	<b>23,54,54,384</b>

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

Note 10 - Other non-current Investments

Amount in Rupees

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	As on 30 Sep, 2023	As at March 31, 2023
Bonds & Funds	74,02,54,737	49,35,51,184
Quoted Investments	6,21,29,059	4,35,70,702
Unquoted investments	8,60,82,999	6,53,39,829
<b>Total</b>	<b>88,84,66,795</b>	<b>60,24,61,715</b>

Note 11 - Long-term loans and advances

	As on 30 Sep, 2023	As at March 31, 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
To parties other than related parties		
- Security deposits	-	-
<b>Other loans and advances</b>		
- Balances with government authorities		
(a) GST Credit	11,88,60,459	7,66,26,359
(b) Income tax receivable	3,73,21,982	3,73,21,982
(c) Amount deposited with Government authorities		
- for Duty Drawback Receivable	27,93,560	1,12,49,335
(d) Advance Tax	5,71,00,000	14,39,98,400
(e) Tax Collected at Source	52,225	96,608
(f) Tax Deducted at Source	27,10,193	46,76,385
<b>Total</b>	<b>21,88,38,419</b>	<b>27,39,69,068</b>

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For Pee Empro Exports Pvt. Ltd.

*[Handwritten signature]*  
Director/Authorised Signatory

**22 Segment Disclosure**

Accounting Principles and policies, as reported in Significant / Accounting policies, used in the preparation of financial statements are Voluntary disclosure to record revenue, expenditure, assets and liabilities, in Primary and Secondary segment.

Particulars	As on 30th, September 2023			For the year ended 31st March 2023		
	Primary Segment Manufacturing and Export of Readymade Garments	Secondary Segment Investment business	Total	Primary Segment Manufacturing and Export of Readymade Garments	Secondary Segment Investment business	Total
<b>Revenue</b>						
Revenue from Operations	2,04,23,29,991	-	2,04,23,29,991	4,74,78,77,555		4,74,78,77,555
Other Income	12,02,41,025	1,30,55,814	13,32,96,839	48,21,84,568	4,25,82,230	52,47,66,798
<b>Total Revenue</b>	<b>2,16,25,71,017</b>	<b>1,30,55,814</b>	<b>2,17,56,26,831</b>	<b>5,23,00,62,123</b>	<b>4,25,82,230</b>	<b>5,27,26,44,353</b>
<b>Operating Profit</b>	<b>16,98,77,884</b>		<b>16,98,77,884</b>	<b>73,94,00,558</b>		<b>73,94,00,558</b>
<b>Unallocable expenses</b>						
Finance costs			2,81,76,339			4,58,96,822
Depreciation & amortization expense			-			9,76,02,162
			<u>2,81,76,339</u>			<u>14,34,98,985</u>
<b>Profit / (Loss) before tax</b>			<b>14,17,01,545</b>			<b>59,59,01,573</b>
Tax expenses (net)			-			17,21,28,907
<b>Profit after tax and interest</b>			<b>14,17,01,545</b>			<b>42,37,72,667</b>
<b>Segment Assets</b>	<b>2,09,27,04,611</b>	<b>1,15,37,01,890</b>	<b>3,24,64,06,501</b>	<b>2,76,71,03,607</b>	<b>60,24,61,715</b>	<b>3,36,95,65,322</b>
<b>Segment liabilities</b>	<b>41,20,70,222</b>	<b>65,09,679</b>	<b>41,85,79,901</b>	<b>67,42,31,251</b>	<b>22,95,327</b>	<b>67,65,26,578</b>
<b>Net Assets</b>	<b>1,68,06,34,389</b>	<b>1,14,71,92,211</b>	<b>2,82,78,26,600</b>	<b>2,09,28,72,356</b>	<b>60,24,61,715</b>	<b>2,69,30,38,744</b>

For Pee Empro Exports Pvt Ltd.

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Director/Authorised Signatory

Note 12 - Trade receivables

Trade Receivable ageing Schedule as on Sep 30, 2023 is as follows :-							Amount in Rupees
Particular	Outstanding for following periods from due date of payment#						Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years		
Unsecured, considered good (a) Disputed Trade receivables (b) Undisputed Trade receivables	-	-	-	-	-		15,38,90,235
Unsecured, considered doubtful (a) Disputed Trade receivables (b) Undisputed Trade receivables	-	-	-	-	-		-
<b>Total</b>	<b>15,38,90,235</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>15,38,90,235</b>
Trade Receivable ageing Schedule as at March 31, 2023 is as follows :-							Amount in Rupees
Particular	Outstanding for following periods from due date of payment#						Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years		
Unsecured, considered good (a) Disputed Trade receivables (b) Undisputed Trade receivables	43,25,23,922	1,01,902	27,479	-	-		43,26,53,303
Unsecured, considered doubtful (a) Disputed Trade receivables (b) Undisputed Trade receivables	-	-	-	-	-		-
<b>Total</b>	<b>43,25,23,922</b>	<b>1,01,902</b>	<b>27,479</b>	<b>-</b>	<b>-</b>		<b>43,26,53,303</b>

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For Pee **Empro Exports Pvt. Ltd.**  
Director/Authorised Signatory

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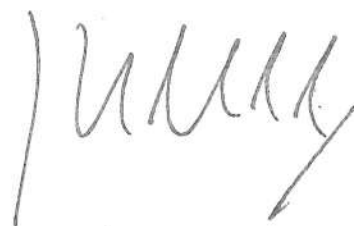
**Note 13 - Cash and cash equivalents**

	As on 30 Sep, 2023	As at March 31, 2023
Cash on hand	11,31,639	19,10,650
Balances with banks in current accounts	23,01,87,879	49,39,44,650
Interest Accrued on FD	9,041	9,041
<b>Total</b>	<b>23,13,28,559</b>	<b>49,58,64,340</b>

(114)

**Note 14 - Short-term loans and advances**

	As on 30 Sep, 2023	As at March 31, 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
To parties other than related parties		
- Security deposits	91,91,816	91,91,816
<b>Other loans and advances</b>		
- Sundry Advances	11,11,24,574	7,51,34,169
- Advances to Builders	12,83,96,673	12,83,96,673
- Prepaid Expenses	96,443	1,30,000
<b>Total</b>	<b>24,88,09,506</b>	<b>21,28,52,658</b>



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For Pee Empro Exports Pvt. Ltd.

  
Director/Authorised Signatory

Note 15 - Revenue from operations

Amount in Rupees

	As on 30 Sep, 2023	As at March 31, 2023
Sale of goods	2,04,23,29,991	4,74,78,77,555
<b>Total</b>	<b>2,04,23,29,991</b>	<b>4,74,78,77,555</b>

Note 16 - Other income

	As on 30 Sep, 2023	As at March 31, 2023
Interest income on deposits	1,33,24,333	21,87,557
Foreign exchange gain (net)	1,22,77,022	6,38,28,628
Other income	10,76,95,485	45,87,50,613
<b>Total</b>	<b>13,32,96,839</b>	<b>52,47,66,798</b>

Note 17 - Cost of Material Consumed

	As on 30 Sep, 2023	As at March 31, 2023
Opening Stock	29,92,87,499	33,34,14,798
Add :- Purchases	84,75,29,036	2,23,21,32,616
Add :- Direct Expenses	1,00,98,96,825	1,89,78,50,505
<b>Total</b>	<b>2,15,67,13,360</b>	<b>4,46,33,97,919</b>
Less :- Closing Stock	32,56,13,835	29,92,87,499
<b>Total</b>	<b>1,83,10,99,525</b>	<b>4,16,41,10,420</b>

Note 18 - Employee benefits expense

	As on 30 Sep, 2023	As at March 31, 2023
Salaries and wages	3,21,79,169	8,86,36,382
Contribution to gratuity and other funds	34,63,976	39,51,023
Staff welfare expenses	64,03,053	93,80,773
<b>Total</b>	<b>4,20,46,198</b>	<b>10,19,68,178</b>

Note 19 - Finance Costs

	As on 30 Sep, 2023	As at March 31, 2023
Bank Charges	2,80,80,489	4,58,96,822
Interest Paid	95,850	-
<b>Total</b>	<b>2,81,76,339</b>	<b>4,58,96,822</b>

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For Pee Empro Exports Pvt. Ltd.

Director/Authorised Signatory

**Note 21 - Other expenses**

116

	As on 30 Sep, 2023	As at March 31, 2023
Rent ,Rate & Taxes	13,52,119	28,58,756
Brokerage & Commission	-	14,30,946
Repairs and maintenance - Others	5,10,85,163	4,32,87,668
Legal and professional	77,47,193	1,65,44,060
Payment to Auditors		
Statutory audit	-	1,50,000
Tax audit	-	50,000
Reimbursement of expenses		
Travelling and conveyance	1,00,99,283	1,75,75,270
Communication	41,00,934	66,52,463
Insurance	21,17,157	68,51,378
Printing and stationery	31,66,269	66,70,988
Packaging & Forwarding	2,41,39,974	5,87,47,385
Licence Fees	1,56,805	13,57,827
Promotion & Advertising Expenses	2,41,96,955	4,83,03,060
Miscellaneous expenses	17,57,181	1,30,73,474
Baddebts	-	3,41,98,429
CSR & Donation	26,13,921	91,48,509
Fine &Penalty	70,270	2,64,983
<b>Total</b>	<b>13,26,03,225</b>	<b>26,71,65,197</b>

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For Pee Empro Exports Pvt. Ltd.

*[Handwritten signature]*  
Director/Authorised Signatory

## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN : U74999HR1958PTC002248

PROVISIONAL BALANCE SHEET AS ON 30 SEPT - 2023

195

Particulars	Note No.	As on 30 Sept, 2023	As at 31 March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>I. EQUITY AND LIABILITIES</b>			
(a) Share Capital	2	45,00,000.00	45,00,000.00
(b) Reserves and Surplus	3	53,80,63,663.22	54,30,00,648.96
<b>(2) Non Current Liabilities</b>			
(a) Long Term Borrowings	4	6,70,65,878.05	7,24,66,950.00
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	1,25,45,676.41	1,85,53,618.32
(b) Short Term Borrowings		-	-
(c) Other Current Liabilities	6	46,24,916.44	79,76,540.50
(d) Short-Term Provisions	7	-	-
<b>Total Equity &amp; Liabilities</b>		<b>62,68,00,134.12</b>	<b>64,64,97,757.78</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment			
(i) Property, Plant and Equipment	8	30,30,57,467.92	32,95,54,064.74
(ii) Deffered Tax	9	70,87,816.66	70,87,816.66
(b) Long term loans and advances	10	2,61,34,329.91	2,76,29,631.22
(c) Other Non current assets	11	36,51,427.04	36,51,427.04
<b>(2) Current Assets</b>			
(a) Inventories	12	2,73,19,954.02	2,89,93,813.27
(b) Trade Receivables	13	5,28,22,449.95	7,91,02,376.83
(c) Cash and cash equivalents	14	19,63,42,306.07	16,64,88,530.59
(d) Short-term loans and advances	15	58,84,382.55	39,90,097.43
Investments Liquiloans		45,00,000.00	-
<b>Total Assets</b>		<b>62,68,00,134.12</b>	<b>64,64,97,757.78</b>

Significant accounting policies

1

Notes to the financial statements

2-23

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date

P.M.S Uppal  
Director  
DIN: 00253279

P.S Uppal  
Director  
DIN : 00253329

Place: Faridabad

Date: 04th November, 2023

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For Hemla Embroidery Mills Pvt. Ltd.

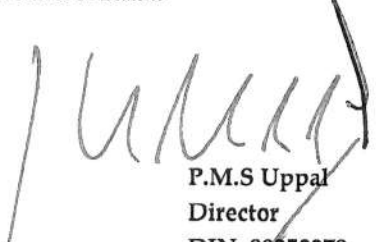
Director/Authorised Signatory

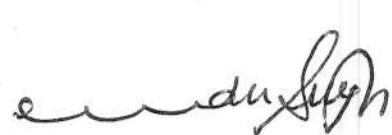
**HEMLA EMBROIDERY MILLS (P) LTD**  
 Regd. Office: 14/6, Main Mathura Road, Faridabad  
 CIN : U74999HR1958PTC002248  
**PROVISIONAL PROFIT & LOSS STATEMENT AS ON 30 SEPT - 2023**

196

Sr. No	Particulars	Note No.	As on 30 Sept, 2023	For the year ended 31 March, 2023
I	Revenue from operations	16	14,34,44,757.93	40,27,76,615.37
II	Other Income	17	26,81,479.95	2,69,46,846.49
III	<b>III. Total Income (I +II)</b>		<b>14,61,26,237.88</b>	<b>42,97,23,461.86</b>
IV	<u>Expenses:</u>			
	Cost of materials consumed-Raw Material, & Consumables	18	3,71,80,542.01	12,17,70,490.15
	Changes in inventories of finished goods & WIP	19	9,79,453.38	47,433.36
	Employees Benefit Expenses	20	2,35,93,908.22	4,83,81,106.92
	Financial Costs	21	34,90,726.74	33,01,845.72
	Depreciation and Amortization Expenses	22	2,65,76,568.24	3,73,18,845.57
	Other Expenses	23	5,55,76,528.26	16,63,12,495.06
	<b>Total Expenses (IV)</b>		<b>14,73,97,726.85</b>	<b>37,71,32,216.78</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(12,71,488.97)	5,25,91,245.08
VI	Exceptional Items			-
VII	Profit before extraordinary items and tax (V - VI)		(12,71,488.97)	5,25,91,245.08
VIII	Extraordinary Items			-
V	Profit before tax		(12,71,488.97)	5,25,91,245.08
VI	<u>Tax expense:</u>			
	(1) Tax for Previous Years			78,740.74
	(2) Current Tax		36,60,596.01	98,08,776.25
	Profit(Loss) from the period from continuing operations			
XI		(IX-X)	- 49,32,084.98	4,27,03,728.09
	Profit/(Loss) from Discontinuing operations			-
	Profit/(Loss) from Discontinuing operations (XII - XIII)			
	Deffered Tax			22,92,913.34
XII	Profit/(Loss) for the period		(49,32,084.98)	4,04,10,814.75
XIV	Earning per equity share:			
	(1) Basic			8.98
	(2) Diluted		-	8.98

Significant accounting policies 1  
 Notes to the financial statements 2-23  
 Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement  
 This is the Profit & Loss Statement referred to in our Report of even date

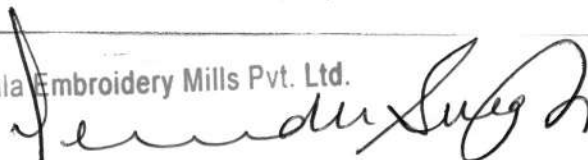
  
 P.M.S Uppal  
 Director  
 DIN: 00253279

  
 P.S Uppal  
 DIRECTOR  
 DIN : 00253329

Place: Faridabad  
 Date: 04th November,2023

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For Hemla Embroidery Mills Pvt. Ltd.

  
 Director/Authorised Signatory



Notes Forming Integral Part of the Balance Sheet as on 30 Sept -2023

**CORPORATE INFORMATION**

Hemla Embroidery Mills (P) Ltd is a company incorporated on 21st August 1958. The Company's registered office is 14/6, Mathura Road, Faridabad Haryana-121003. The Company is engaged in manufacturing of sale and Job work of Embroidery Cloth and Crochet Laces. The Company Having its manufacturing facility located at 14/6, Mathura Road, Faridabad as Unit-1 and plot No. 18, DLF ind. Area, Ph-1, as Unit-2 and also Having its Showroom at Nehru Place, New Delhi-110019.

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1.1 GENERAL**

The accounts have been prepared on the basis of "HISTORICAL COST CONVENTION" in accordance with the generally accepted accounting policies.

The company follows "accrual method" of accounting except where otherwise stated.

Accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting standard issued by the Institute of Chartered Accountants of India and in its absence International Accounting Standards

**1.2 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment in the Balance Sheet are stated at cost of acquisition less accumulated depreciation, Cost is inclusive of all charges less input credit of GST

**1.3 DEPRECIATION**

Depreciation has been provided on WDV method as per rates prescribes under Schedule II of The Companies Act, 2013.

**1.4 INVESTMENTS**

The company does not have any Investments.

**1.5 INVENTORIES**

Raw Material is valued at cost . Finished Goods at Showroom is valued at cost price. Finished and Semi Finished Goods at factory is valued at Sale Price with an adjustment 20% (Net realizable value) as in the earlier years.

**1.6 REVENUE RECOGNITION**

Revenue from sale of goods recognized when the significant risk & reward of ownership have been transferred to the buyer, recovery of the consideration is certain, the associated costs and possible return of the goods can be measured reliably.

Revenue are recorded net of taxes and other similar charges.

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For Hemla Embroidery Mills Pvt. Ltd



Director/Authorised Signatory

**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as on 30 Sept -2023

198

**1.7 CONTINGENT LIABILITIES**

No Provision has been made in the account for liabilities, which are contingent in nature. But if material, the same are disclosed by way of notes to accounts

**1.8 TAX ON INCOME**

Current Tax is determined in accordance with provision of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.

Deferred tax has been recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

**1.9 PRIOR PERIOD ADJUSTMENTS, EXTRA ORDINARY ITEMS AND CHANGES IN ACCOUNTING POLICY**

Prior Period adjustments, extra -ordinary items and changes in accounting policies having material impact on the financial affairs of the Company where ever considered necessary are disclosed

**1.10 RETIREMENT BENEFITS**

Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

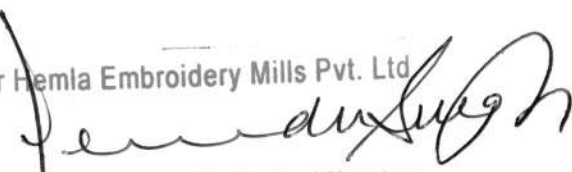
**1.11 BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

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For Hemla Embroidery Mills Pvt. Ltd



Director/Authorised Signatory

Notes Forming Integral Part of the Balance Sheet as on 30 Sept -2023

Note : 2 Share Capital

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	<u>AUTHORIZED CAPITAL</u> - 50,000 Equity Shares of Rs. 100/- each.	50,00,000	50,00,000
		50,00,000	50,00,000
2	<u>ISSUED SUBSCRIBED &amp; PAID UP CAPITAL</u> - 45,000 Equity Shares of Rs. 100/- each, Fully Paid up	45,00,000	45,00,000
	<b>Total in Rs.</b>	<b>45,00,000</b>	<b>45,00,000</b>

Equity shareholders are only entitled to vote.

ii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Opening Balance	Closing Balance
<u>Equity Shares with voting rights</u>		
<u>Year ended March 31, 2023</u>		
Number of shares	45,000.00	45,000.00
Amount in Rs.	45,00,000.00	45,00,000.00
<u>Year ended Sept 30, 2023</u>		
Number of shares	45,000.00	45,000.00
Amount in Rs.	45,00,000.00	45,00,000.00

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For Hemla Embroidery Mills Pvt. Ltd.

*[Handwritten Signature]*

Director/Authorised Signatory

Notes Forming Integral Part of the Balance Sheet as on 30 Sept -2023

- iii. There are no rights, preferences and restrictions attached to any share.
- iv. Details of shares held by each shareholder holding more than 5% shares

Class of Shares / Name of shareholder	Sept 30, 2023	%	March 31, 2023	%
Equity Shares with voting rights				
Pee Empro Exports Pvt Ltd	40,950	91.00%	40,950	91.00%

Share Held by Promoters at the end of the year					
S.no	Promoter Name	As on 30.09.2023		As on 31.03.2023	
		No. of shares	% of total Shares	No. of shares	% of total Shares
1	Mohinder Singh Uppal	0	0	100	0.22222
2	Perminder Singh Uppal	1925	4.2777	1925	4.27777
3	Preet Mohinder Singh Uppal	2025	4.5	1925	4.27777
					0.2223

Note : 3 Reserve & Surplus

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	45,21,71,038.97	41,17,65,124.98
	General Reserve	7,80,97,025.79	7,80,97,025.79
	Gratuity Fund	55,500.00	55,500.00
	Revaluation Reserve	1,26,72,183.44	1,26,72,183.44
	Profit/(Loss) transferred for the period	(49,32,084.98)	4,04,10,814.75
		53,80,63,663.22	54,30,00,648.96

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

201

**Note : 4 Long Term Borrowings**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	<u>Secured</u>		
1	Federal Bank Auto Loan A/c	30,91,995.00	33,79,740.00
2	Kotak Mahindra Prime Ltd (Car Loan)	36,85,500.00	4087210.00
3	Karur Vysaya Bank Ltd (Term Loan against Hypothecation of plant & Machinery)	6,02,88,383.05	65000000.00
	<b>Total in Rs.</b>	<b>6,70,65,878.05</b>	<b>7,24,66,950.00</b>

**Note : 5 Trade Payable**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Sundry Creditors	1,25,45,676.41	1,85,53,618.32
	<b>Total in Rs.</b>	<b>1,25,45,676.41</b>	<b>1,85,53,618.32</b>

**Trade Payable ageing for the financial year 2023-2024**

S.No.	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	1,25,45,676.41	-	-	-	1,25,45,676.41
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>					<b>1,25,45,676.41</b>

**Trade Payable ageing for the financial year 2022-2023**

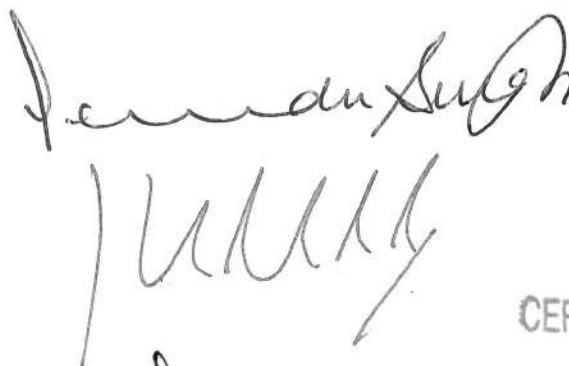
S.No.	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	-	-	-	-
(ii)	Others	1,85,53,618.32	-	-	-	1,85,53,618.32
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>					<b>1,85,53,618.32</b>

**Note : 6 Other Current Liabilities**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Advance from Customers	65,084.44	1,25,773.00
2	Statutory Liabilities	7,47,138.00	11,88,341.00
3	Expenses Payable	38,12,694.00	66,62,426.50
	<b>Total in Rs.</b>	<b>46,24,916.44</b>	<b>79,76,540.50</b>

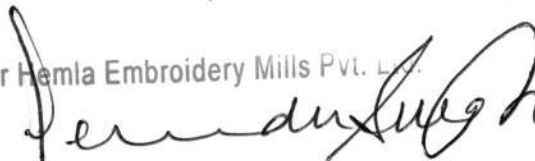
**Note : 7 Short Term Provisions**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
3	Provision for Income Tax / (MAT)	-	-
	<b>Total in Rs.</b>	<b>-</b>	<b>-</b>



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For Hemla Embroidery Mills Pvt. Ltd.



Director/Authorised Signatory



202

**Note : 9 Deferred Tax**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
	Deferred Tax	70,87,816.66	70,87,816.66
	<b>Total in Rs.</b>	<b>70,87,816.66</b>	<b>70,87,816.66</b>

**Note : 10 Long Term Loans and Advances**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Advance to Vatika against Purchase of Property	1,71,11,820.00	1,71,11,820.00
2	Income Tax recoverable	50,16,169.89	49,92,544.20
3	Interest receivable	40,06,340.02	55,25,267.02
	<b>Total in Rs.</b>	<b>2,61,34,329.91</b>	<b>2,76,29,631.22</b>

**Note : 11 Other Non Current Assets**

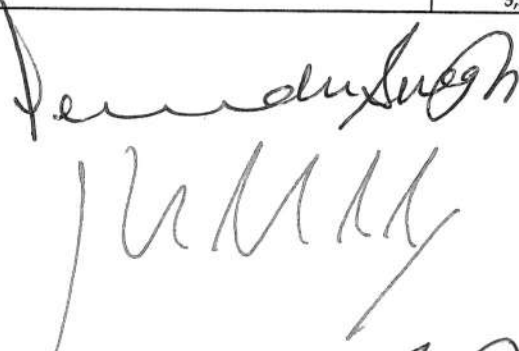
Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	<b>Deposits</b>		
1	Security Deposits	35,65,188.00	35,65,188.00
2	Project Promotion Expenses	86,239.04	86,239.04
	<b>Total in Rs.</b>	<b>36,51,427.04</b>	<b>36,51,427.04</b>

**Note : 12 Inventories**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Raw Material	48,87,363.87	53,92,364.10
2	General Stores	1,12,35,425.41	1,14,24,831.05
3	Finished Goods	1,04,36,369.34	1,13,41,414.12
4	Work in Progress	7,60,795.40	8,35,204.00
	(Finished Goods at cost or market value which ever lower, Raw Material / Packing Material at Cost and Work in Progress at Raw Material, direct labour and overhead cost.)		
	As per inventories taken, valued and certified by the Management		
	<b>Total in Rs.</b>	<b>2,73,19,954.02</b>	<b>2,89,93,813.27</b>

**Note : 13 Trade Receivables**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Sundry Debtors	5,28,22,449.95	7,91,02,376.83
	<b>Total in Rs.</b>	<b>5,28,22,449.95</b>	<b>7,91,02,376.83</b>

  
 Hemla Embroidery Mills Pvt. Ltd.  
 Director/Authorised Signatory

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**Note : 9 Deferred Tax**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
	Deferred Tax	70,87,816.66	70,87,816.66
	<b>Total in Rs.</b>	<b>70,87,816.66</b>	<b>70,87,816.66</b>

**Trade Receivables ageing for the financial year 2023-2024**

S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good					-	
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	<b>Total</b>						

**Trade Receivables ageing for the financial year 2022-2023**

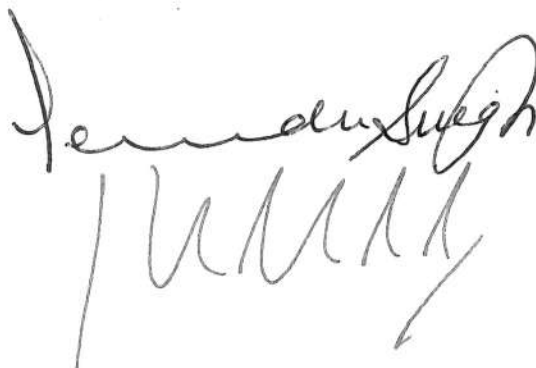
S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	7,28,81,620.87	4,88,662.12	4,27,090.38	46,389.00	-	7,38,43,762.37
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	49,53,228.46	49,53,228.46
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	3,05,380.00	3,05,386.00
	<b>Total</b>						<b>7,91,02,376.83</b>

**Note : 14 Cash & Cash Equivalent**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Cash-in-Hand Cash Balance	6,00,018.26	4,17,901.62
	<b>Sub Total (A)</b>	<b>6,00,018.26</b>	<b>4,17,901.62</b>
2	Balances with Scheduled Banks In Current Accounts Fixed Deposit (Including Interest Accrued)	5,23,84,097.81 14,33,58,190.00 19,57,42,287.81	2,72,37,664.97 13,88,32,964.00 16,60,70,628.97
	<b>Sub Total (B)</b>		
	<b>Total [ A + B ]</b>	<b>19,63,42,306.07</b>	<b>16,64,88,530.59</b>

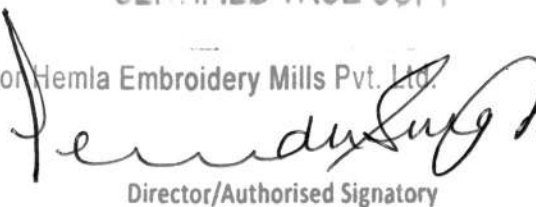
**Note : 15 Short Terms Loans and Advances**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
	Advance Recoverable in cash or in kind or for value to be considered good		
1	Employees Advance	6,11,000.00	6,50,500.00
2	Advance to suppliers	9,91,897.18	9,71,091.67
3	Advance Recoverable: GST Input	42,81,485.37	23,68,505.76
	<b>Total in Rs.</b>	<b>58,84,382.55</b>	<b>39,90,097.43</b>



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For Hemla Embroidery Mills Pvt. Ltd.

  
 Director/Authorised Signatory

SCHEDULE 'A' OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 30.09.2023

SR. No.	PARTICULARS	COST AS ON 01.04.2023	ADDITION DURING THE YEAR	DEDUCTION	TOTAL COST AS ON 30.09.2023	RATE OF DEP.	TOTAL DEP. UP TO 01.04.2023	DEP. FOR THE YEAR	ADJUSTMENTS	DEP. UPTO 30.09.2023	W.D.V. AS ON 30.09.2023	W.D.V. AS ON 31.03.2023
1	AIR CONDITIONER	1,74,84,762.64			1,74,84,762.64	45.07	1,57,12,154.98	3,91,986.46		1,61,04,141.44	13,80,621.20	17,72,607.66
2	AUTOMOBILES	3,01,08,402.84		3,28,329.00	2,97,80,073.84	39.30	1,77,59,049.34	24,28,488.44	3,23,637.00	1,98,63,900.78	99,16,173.06	1,23,49,353.50
3	C.T.V. SYSTEM	3,74,083.80			3,74,083.80	45.07	3,02,394.44	16,185.25		3,18,549.69	55,534.11	71,689.36
4	COMPUTER	31,12,664.83	63,127.12		31,75,791.95	63.16	28,58,936.46	83,583.14		29,42,519.60	2,33,272.35	2,53,728.37
5	ELECTRIC FANS & COOLERS	4,10,730.04			4,10,730.04	45.07	4,05,137.20	1,280.34		4,06,397.54	4,332.50	5,592.84
6	ELECTRIC FITTING	73,007.40			73,007.40	25.89	71,521.40	192.36		71,713.76	1,293.64	1,486.00
7	ELECTRIC INSTALLATION	74,54,676.48	21,536.30		74,76,212.78	25.89	67,55,122.47	90,237.98		68,45,360.45	6,30,852.33	6,99,554.01
8	ELEVATOR	8,41,501.00			8,41,501.00	45.07	8,18,073.30	19,88,799.16		8,18,073.30	23,427.70	23,427.70
9	BUILDING	8,80,17,147.41			8,80,17,147.41	9.50	4,61,47,691.29			4,81,36,490.45	3,98,80,656.96	4,18,69,456.12
10	FACTORY LAND	4,71,45,506.00			4,71,45,506.00						4,71,45,506.00	4,71,45,506.00
11	FAX MACHINE	70,962.02			70,962.02	45.07	68,681.64			68,681.64	2,280.38	2,280.38
12	FURNITURE & FIXTURE	49,94,509.89			49,94,509.89	25.89	45,36,625.56	52,499.34		45,89,124.90	4,05,384.99	4,57,884.33
13	GENERATOR	1,45,93,830.20			1,45,93,830.20	45.07	62,07,671.41	18,87,507.00		80,95,178.41	64,98,651.79	83,86,158.79
14	INTERCOM	32,687.87			32,687.87	45.07	32,320.88	82.70		32,403.58	284.29	366.99
15	INVERTOR	2,69,941.62			2,69,941.62	45.07	2,45,754.47	5,450.57		2,51,205.04	18,736.58	24,187.15
16	OFFICE/ FACTORY EQUIPMENTS	46,84,691.10			46,84,691.10	45.07	44,27,942.49	52,517.69		44,80,460.18	2,04,230.92	2,56,748.61
17	PHOTOCOPY MACHINE	3,92,722.98			3,92,722.98	45.07	3,79,914.91	768.66		3,80,683.57	12,039.41	12,808.07
18	PLANT & MACHINERY	55,66,26,868.23			55,66,26,868.23	18.10	34,11,48,004.05	1,95,00,837.29		36,06,48,841.34	19,59,78,026.89	21,54,78,864.18
19	REFRIGERATOR	1,40,195.23			1,40,195.23	45.07	1,33,456.95	881.42		1,34,338.37	5,856.86	6,738.28
20	SOLAR INVERTOR	15,00,000.00			15,00,000.00	18.10	10,37,312.19	41,873.24		10,79,185.43	4,20,814.57	4,62,687.81
21	TANK	2,751.00			2,751.00		2,613.47			2,613.47	137.53	137.53
22	TEMPO	15,23,498.00			15,23,498.00	39.30	14,37,963.55	16,807.51		14,54,771.06	68,726.94	85,534.45
23	TUBE WELL	16,93,784.59			16,93,784.59	45.07	16,50,204.92	9,820.67		16,60,025.59	33,759.00	43,579.67
24	WASHING MACHINE	20,800.00			20,800.00		20,196.05			20,196.05	603.95	603.95
25	WATER COOLER	19,63,007.39			19,63,007.39	45.07	18,94,824.25	6,739.60		19,01,563.85	61,443.54	68,183.14
26	WATER HEATER	12,857.00			12,857.00	45.07	12,504.10	79.42		12,583.52	273.48	352.90
27	STRUCTURE ON LEASE PREMISES	14,90,939.00			14,90,939.00		14,16,392.05			14,16,392.05	74,546.95	74,546.95
	PREVIOUS YEAR FIGURES	78,50,36,528.56	84,663.42	3,28,329.00	78,47,92,862.98		45,54,82,463.82	2,65,76,568.24	3,23,637.00	48,17,35,395.06	30,30,57,467.92	#####

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit &amp; Loss Accounts As on 30 Sept 2023

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205

**Note : 16 Revenue from Operations**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Embroidery Cloth	1,31,25,593.90	3,56,33,003.74
2	Corocia Laces	22,15,766.66	46,86,031.53
3	Job Work Received	12,60,77,215.91	29,86,88,943.61
4	Design Development	11,55,001.00	8,83,000.00
5	Sundry Goods	6,79,219.46	20,81,007.55
6	Plain Cloth	-	34,54,084.32
7	Yarn	23,449.00	18,38,026.21
8	Deemed Exports (Embroided Fabric)	-	5,52,48,296.91
9	Knitted Fabrics	-	-
10	Print Fabrics	1,14,906.50	1,41,507.00
11	Poly Yarn	-	32,400.00
12	Rachel Fabrics	53,605.50	90,314.50
	<b>Total in Rs.</b>	<b>14,34,44,757.93</b>	<b>40,27,76,615.37</b>

**Note : 17 Other Income**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Interest Received	10,66,269.31	78,48,852.50
2	Profit on Sale of Assets	3,389.83	91,59,317.00
3	Profit on Sale of Car	45,308.00	-
4	Diff. in Exchange Rate Fluctuation	33,489.81	22,917.59
5	Refund of Duty Drawback	15,33,023.00	-
6	Rent Received	-	1,60,000.00
7	Misc. Income	-	97,04,497.00
8	Unclaimed Balances	-	17,195.40
9	Revaluation Reserve Written Back	-	34,067.00
	<b>Total in Rs.</b>	<b>26,81,479.95</b>	<b>2,69,46,846.49</b>

**Note : 18 Cost of Material Consumed**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
	<b>RAW MATERIALS</b>		
	Opening Stock	1,68,17,195.15	1,87,85,039.84
	Add : Purchase of Raw Material & Others	3,64,86,136.14	11,98,02,645.46
		5,33,03,331.29	13,85,87,685.30
	Less : Closing Stock of Raw Material	1,61,22,789.28	1,68,17,195.15
	<b>Material Consumed</b>	<b>3,71,80,542.01</b>	<b>12,17,70,490.15</b>

**Note : 19 Change of Inventories**

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
a	<b>Finished Goods</b>		
	Opening Stock	1,12,87,142.76	1,13,34,576.12
	Less : Closing Stock	1,03,61,960.74	1,13,41,414.12
	<b>Total-A</b>	<b>9,25,182.02</b>	<b>(6,838.00)</b>
b	<b>Work In Progress</b>		
	Opening Stock	8,89,475.36	8,89,475.36
	Less : Closing Stock	8,35,204.00	8,35,204.00
	<b>Total-B</b>	<b>54,271.36</b>	<b>54,271.36</b>
	<b>Change in closing Stock</b>	<b>9,79,453.38</b>	<b>47,433.36</b>

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For Hemla Embroidery Mills Pvt. Ltd.

Director/Authorised Signatory

# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit & Loss Accounts As on 30 Sept 2023

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206

## Note : 20 Employee Benefit Expenses

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Establishment Expenses	2,20,40,578.00	4,38,48,378.00
2	Contribution to Provident and Other Funds	11,56,385.00	28,20,619.00
3	Staff Welfare Expenses	3,96,945.22	17,12,109.92
	Total in Rs.	2,35,93,908.22	4,83,81,106.92

## Note : 21 Financial Cost

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Bank Charges	72,995.74	5,02,480.56
2	Interest on loan	34,17,731.00	27,99,365.16
	Total in Rs.	34,90,726.74	33,01,845.72

## Note : 22 Depreciation & Amortised Cost

Sr. No	Particulars	Current Year as on 30-09-2023	Previous Year as on 31-03-2023
1	Depreciation	2,65,76,568.24	3,73,18,845.57
	Total in Rs.	2,65,76,568.24	3,73,18,845.57

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CERTIFIED TRUE COPY

For Hemla Embroidery Mills Pvt. Ltd.

*[Handwritten signature]*  
Director/Authorised Signatory



**PEE EMPRO EXPORTS PRIVATE LIMITED**

**CIN:-U74899HR1980PTC115338**

**Regd. Office: Plot No- 78 , Sector 27A ,Main Mathura Road , Faridabad- 121003 ,Haryana .**

**PROVISIONAL UN-AUDITED BALANCE SHEET AS ON DECEMBER 31, 2023**

*Amount in Rupees*

	Note No.	As on 31 Dec, 2023	As at March 31, 2023
<b>I Equity and liabilities</b>			
<b>1 Shareholders' funds</b>			
a. Share capital	3	4,80,00,000	4,80,00,000
b. Reserves and surplus	4	2,77,03,87,349	2,63,81,25,055
		<b>2,81,83,87,349</b>	<b>2,68,61,25,055</b>
<b>2 Non-current liabilities</b>			
a. Long-term borrowings	5	20,47,938	44,99,775
b. Deferred tax liabilities (Net)	6	69,13,688	69,13,688
		<b>89,61,626</b>	<b>1,14,13,463</b>
<b>3 Current liabilities</b>			
a. Trade payables	7	-	-
(i) Total outstanding dues of micro and small enterprises			
(ii) Total outstanding dues of creditors other than micro and small enterprises		57,12,10,647	41,91,36,939
b. Other current liabilities	8	3,05,92,371	1,74,35,480
c. Short-term provisions	9	4,64,03,401	23,54,54,384
		<b>64,82,06,419</b>	<b>67,20,26,804</b>
		<b>3,47,55,55,394</b>	<b>3,36,95,65,322</b>
<b>II Assets</b>			
<b>1 Non-current assets</b>			
a. Property, Plant & Equipment and Intangible assets		1,40,32,39,611	1,05,24,76,739
(i) Property , Plant and Equipment			
(ii) Intangible assets			
(iii) Capital work in progress			
(iv) Intangible assets under development			
b. Non- current investment	10	74,64,33,217	60,24,61,715
c. Long-term loans and advances	11	30,56,45,243	27,39,69,068
		<b>2,45,53,18,071</b>	<b>1,92,89,07,522</b>
<b>2 Current assets</b>			
a. Inventories		41,25,00,000	29,92,87,499
b. Trade receivables	12	42,43,31,136	43,26,53,303
c. Cash and cash equivalents	13	33,64,106	49,58,64,340
d. Short-term loans and advances	14	18,00,42,079	21,28,42,658
		<b>1,02,02,37,323</b>	<b>1,44,06,47,800</b>
		<b>3,47,55,55,394</b>	<b>3,36,95,55,322</b>

Significant accounting policies

,1-2

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

For and on behalf of the Board of Directors

**PEE EMPRO EXPORTS PRIVATE LIMITED**



**P.S Uppal**

Director

DIN : 00253329

Place: Delhi

Date: 08-02-2024



**P.M.S Uppal**

Director

DIN : 00253279

Place: Delhi

Date: 08-02-2024



**PEE EMPRO EXPORTS PRIVATE LIMITED**

**CIN:-U74899HR1980PTC115338**

**Regd. Office: Plot No- 78 , Sector 27A ,Main Mathura Road , Faridabad- 121003 ,Haryana .**

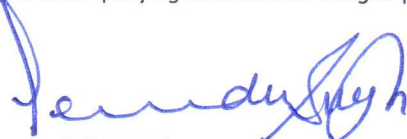
**PROVISIONAL UN- AUDITED STATEMENT OF PROFIT AND LOSS AS ON DECEMBER 31 , 2023**

		<i>Amount in Rupees</i>	
	Note No.	As on 31 Dec, 2023	Year ended March 31, 2023
1. Revenue from operations	15	3,06,94,15,782	4,74,78,77,555
2. Other income	16	33,97,70,579	52,47,66,798
<b>3. Total revenue (1+2)</b>		<b>3,40,91,86,362</b>	<b>5,27,26,44,352</b>
<b>4. Expenses</b>			
a. Cost of materials consumed	17	3,00,69,60,644	4,16,41,10,420
b. Employee benefits expense	18	6,68,48,414	10,19,68,178
c. Finance costs	19	3,54,97,573	4,58,96,822
d. Depreciation and amortisation expense	20	-	9,76,02,162
e. Other expenses	21	16,76,17,437	26,71,65,197
<b>Total expenses</b>		<b>3,27,69,24,068</b>	<b>4,67,67,42,779</b>
<b>5. Profit before tax and exceptional items (3-4)</b>		<b>13,22,62,293</b>	<b>59,59,01,573</b>
<b>6. Exceptional items</b>			
a. Impairment loss on Property, Plant and Equipment		-	-
b. Other receivable balances written-off		-	-
<b>Total exceptional items</b>		-	-
<b>7. Profit before tax (5-6)</b>		<b>13,22,62,293</b>	<b>59,59,01,573</b>
<b>8. Tax expense:</b>			
a. Current tax expense		-	17,21,28,907
b. Short / (Excess) provision for current tax in respect of earlier years		-	-
c. Deferred tax		-	24,57,290
<b>Total tax expense</b>		-	<b>17,45,86,197</b>
<b>9. Profit after tax (7-8)</b>		<b>13,22,62,293</b>	<b>42,13,15,376</b>
<b>10. Earnings per equity share (face value Rs. 10 per share)</b>			
- Basic and Diluted		-	-

Significant accounting policies

,1-2

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



**P.S Uppal**

Director

DIN : 00253329

Place: Delhi

Date: 08.02.2024

For and on behalf of the Board of Directors  
**PEE EMPRO EXPORTS PRIVATE LIMITED**



**P.M.S Uppal**

Director

DIN : 00253279

Place: Delhi

Date: 08.02.2024

**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 3 - Share capital**

*Amount in Rupees*

	As at December 31, 2023		As at March 31, 2023	
	Number	Rupees	Number	Rupees
<b>Authorised</b> Equity shares of Rs. 100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
<b>Issued, subscribed and fully paid-up</b> 480000 Equity shares of Rs. 100 each with voting rights Includes 450000 Bonus Shares Rs.100 each	4,80,000	4,80,00,000	4,80,000	4,80,00,000
<b>Total</b>	<b>4,80,000</b>	<b>4,80,00,000</b>	<b>4,80,000</b>	<b>4,80,00,000</b>

**i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:**

	As at December 31, 2023		As at March 31, 2023	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning and at the end of the year	4,80,000	4,80,00,000	4,80,000	4,80,00,000

**ii. Rights, preferences and restrictions attached to equity shares:**

The Company has issued one class of equity shares having face value of Rs. 10 each. Each shareholder is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**iii. Details of shares held by the Holding Company, subsidiaries of Ultimate Holding Company and details of shareholders holding more than 5% shares in the Company:**

	As at December 31, 2023		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
S. Perminder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	2,40,000	50.00%

**vi. Details of shares held by promoters at the end of the year in the Company:**

Promoter Name	No of Shares	% of total Shares	% change during the year
S. Perminder Singh Uppal	2,40,000	50.00%	0.00%
S. Prit Mohinder Singh Uppal	2,40,000	50.00%	0.00%

**Note 4 - Reserves and surplus**

	As on 31 Dec, 2023	As on March 31, 2023
General reserve (At the commencement and at the end of the year)	-	-
Surplus in the statement of Profit and Loss	24,39,49,785	24,39,49,785
Balance as at the beginning of the year	2,39,41,75,270	1,94,32,49,903
Add:- Surplus Refund on Income Tax AY(2021-2022)	-	48,970
Add:- Excess Provision for Previous Year AY(2022-2023)	-	2,95,61,021
Add: Profit for the year	13,22,62,293	42,13,15,376
Balance as at the end of the year	<b>2,77,03,87,349</b>	<b>2,63,81,25,055</b>
<b>Total</b>	<b>2,77,03,87,349</b>	<b>2,63,81,25,055</b>

**Note 5 - Long-term borrowings**

	As on 31 Dec, 2023	As on March 31, 2023
<b>Secured loan</b>		
Loan From Banks	-	22,04,448
<b>Unsecured loan</b>		
Loan From Directors	20,47,938	22,95,327
<b>Total</b>	<b>20,47,938</b>	<b>44,99,775</b>

**Note 6 -Deferred Tax Liabilities**

	As on 31 Dec, 2023	As on March 31, 2023
<b>Deferred tax Liabilities</b>		
Difference between book balance and tax balance of fixed assets	69,13,688	69,13,688
<b>Total</b>	<b>69,13,688</b>	<b>69,13,688</b>



**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 7 - Trade Payables**

Ageing for Trade payables outstanding as on 31, Dec 2023 is as follows:-

Amount in Rupees

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
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	57,12,10,647				57,12,10,647
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>57,12,10,647</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,12,10,647</b>

Ageing for Trade payables outstanding as at March 31, 2023 is as follows:-

Amount in Rupees

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
(a) Total outstanding dues of micro and small enterprises					
(b) Total outstanding dues of creditors other than micro and small enterprises	40,96,47,272	4,02,162	5,69,293	85,18,212	41,91,36,939
(c) Total disputed dues of micro and small enterprises					
(d) Total disputed dues of creditors other than micro and small enterprises					
<b>Total</b>	<b>40,96,47,272</b>	<b>4,02,162</b>	<b>5,69,293</b>	<b>85,18,212</b>	<b>41,91,36,939</b>

\*MSME as per the Micro , Small and Medium Enterprises Development Act, 2006.

**Note 8 - Other current liabilities**

	As on 31 Dec, 2023	As on March 31, 2023
Security Deposits	43,20,088	47,85,988
Advances to Customers	1,81,92,882	-
<b>Statutory dues</b>		
- GST	32,243	52,995
- Provident Fund	20,55,389	45,45,262
- ESIC	2,21,291	5,47,025
- Tax Deducted at Source	57,60,381	74,93,570
- Tax Collected at Source	10,096	10,640
<b>Total</b>	<b>3,05,92,371</b>	<b>1,74,35,480</b>

**Note 9 - Short term provisions**

	As on 31 Dec, 2023	As on March 31, 2023
<b>(a) Provision for employee benefits:</b>		
- Provision for compensated absences	-	-
- Provision for gratuity (see note 25)	-	-
<b>(b) Provision - others:</b>		
Provision for Taxation	-	17,21,28,907
Electricity Payable	-	31,52,799
Expenses Payable	4,64,03,401	5,99,72,678
Audit Fees Payable	-	2,00,000
	<b>4,64,03,401</b>	<b>23,54,54,384</b>
<b>Total</b>	<b>4,64,03,401</b>	<b>23,54,54,384</b>

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**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 10 - Other non-current Investments**

**Amount in Rupees**

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
Bonds & Funds	59,30,54,378	49,35,51,184
Quoted Investments	6,55,31,596	4,35,70,702
Unquoted investments	8,78,47,244	6,53,39,829
<b>Total</b>	<b>74,64,33,217</b>	<b>60,24,61,715</b>

**Note 11 - Long-term loans and advances**

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
<b>Unsecured, considered good (unless otherwise stated)</b>		
To parties other than related parties		
- Security deposits	-	-
<b>Other loans and advances</b>		
- Balances with government authorities		
(a) GST Credit	15,54,36,230	7,66,26,359
(b) Income tax receivable	3,73,21,982	3,73,21,982
(c) Amount deposited with Government authorities		
- for Duty Drawback Receivable	1,09,79,496	1,12,49,335
(d) Advance Tax	9,74,50,000	14,39,98,400
(e) Tax Collected at Source	55,355	96,608
(f) Tax Deducted at Source	44,02,180	46,76,385
<b>Total</b>	<b>30,56,45,243</b>	<b>27,39,69,068</b>

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**PEE EMPRO EXPORTS PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 15 - Revenue from operations**

*Amount in Rupees*

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
Sale of goods	3,06,94,15,782	4,74,78,77,555
<b>Total</b>	<b>3,06,94,15,782</b>	<b>4,74,78,77,555</b>

**Note 16 - Other income**

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
Interest income on deposits	2,49,13,226	21,87,557
Foreign exchange gain (net)	2,07,46,074	6,38,28,628
Other income	29,41,11,278	45,87,50,613
<b>Total</b>	<b>33,97,70,579</b>	<b>52,47,66,798</b>

**Note 17 - Cost of Material Consumed**

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
Opening Stock	29,92,87,499	33,34,14,798
Add :- Purchases	1,60,96,55,587	2,23,21,32,616
Add :- Direct Expenses	1,51,05,17,558	1,89,78,50,505
<b>Total</b>	<b>3,41,94,60,644</b>	<b>4,46,33,97,919</b>
Less :- Closing Stock	41,25,00,000	29,92,87,499
<b>Total</b>	<b>3,00,69,60,644</b>	<b>4,16,41,10,420</b>

**Note 18 - Employee benefits expense**

	<b>As on 31 Dec, 2023</b>	<b>As on March 31, 2023</b>
Salaries and wages	5,07,70,983	8,86,36,382
Contribution to gratuity and other funds	61,44,674	39,51,023
Staff welfare expenses	99,32,757	93,80,773
<b>Total</b>	<b>6,68,48,414</b>	<b>10,19,68,178</b>

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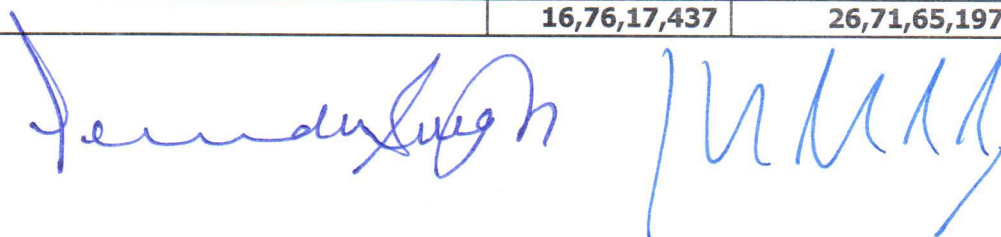


**Note 19 - Finance Costs**

	As on 31 Dec, 2023	As on March 31, 2023
Bank Charges	3,53,94,997.63	4,58,96,822
Interest Paid	1,02,576	-
<b>Total</b>	<b>3,54,97,573</b>	<b>4,58,96,822</b>

**Note 21 - Other expenses**

	As on 31 Dec, 2023	As on March 31, 2023
Rent ,Rate & Taxes	13,77,023	28,58,756
Brokerage & Commission	1,75,000	14,30,946
Repairs and maintenance - Others	2,11,68,234	4,32,87,668
Legal and professional	1,38,47,347	1,65,44,060
Payment to Auditors		
Statutory audit	-	1,50,000
Tax audit	-	50,000
Reimbursement of expenses		
Travelling and conveyance	1,60,20,839	1,75,75,270
Communication	70,86,867	66,52,463
Insurance	71,47,990	68,51,378
Printing and stationery	57,22,323	66,70,988
Packaging & Forwarding	3,74,50,055	5,87,47,385
Licence Fees	28,77,887	13,57,827
Promotion & Advertising Expenses	4,26,49,247	4,83,03,060
Miscellaneous expenses	87,88,527.22	1,30,73,474
Baddebts	-	3,41,98,429
CSR & Donation	33,06,098	91,48,509
Fine &Penalty	-	2,64,983
<b>Total</b>	<b>16,76,17,437</b>	<b>26,71,65,197</b>



**Segment Disclosure**

Accounting Principles and policies, as reported in Significant / Accounting policies, used in the preparation of financial statements are Voluntary disclosure to record revenue, expenditure, assets and liabilities, in Primary and Secondary segment.

Particulars	As on 31st, December 2023		For the year ended 31st March 2023	
	Primary Segment	Secondary Segment	Primary Segment	Secondary Segment
	Manufacturing and Export of Readymade Garments	Securities investment business	Manufacturing and Export of Readymade Garments	Securities investment business
<b>Revenue</b>				
Revenue from Operations	3069415782	0	4747877555	4747877555
Other Income	307579453.1	32191125.47	482184568	42582230
<b>Total Revenue</b>	3376995235	32191125.47	5230062123	42582230
<b>Operating Profit</b>	135614038	32191125	739400558	739400558
<b>Unallocable expenses</b>				
Finance costs				45896822
Depreciation & amortization expense				97602162
				143498985
<b>Profit / (Loss) before tax</b>				595901573
Tax expenses (net)				172128907
<b>Profit after tax and interest</b>				423772667
<b>Segment Assets</b>				
	2729122177	746433217	2767103607	602461715.1
<b>Segment liabilities</b>				
	648206419.2	2047938	674231251	2295326.97
<b>Net Assets</b>	2080915757	744385279	2092872356	602461715.1
		2825301037		2693038744

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**PEE EMPRO EXPORTS PVT. LTD.****Sundry Creditors as at 31.12.2023**

Particulars	Amount
A2Z Fusing Machine Solutions	₹ 27,252.00
Aaristo Elastic Pvt Ltd.	₹ 26,18,337.00
Abhijeet Enterprises	₹ 16,48,819.43
A.B. Packers	₹ 5,38,517.52
Acer Green Carriers Private Limited	₹ 1,13,986.00
Addwell Images	₹ 7,10,333.00
Adhunik Fashion	₹ 45,547.00
Adlakha Exports	₹ 1,444.00
Aggarwal Medicos	₹ 13,240.81
A.J.Enterprises India	₹ 4,860.00
Ajit Kumar	₹ 9,000.00
A.K Trading Co.	₹ 64,181.60
ALTE Apparels	₹ 24,19,605.00
Aman Poly Plast Pvt.Ltd.	₹ 2,84,933.00
Amartara Impex	₹ 879.00
Ambey Electronics	₹ 9,350.80
American Express Card - 53005 Mr Arjun Uppal	₹ 43,42,585.00
Amit Processors	₹ 23,612.40
Amro Expo Fashion	₹ 16,538.00
Anjani Kumar Mishra	₹ 2,500.00
A.N.S.Prints	₹ 27,037.50
Anupam Prints	₹ 773.00
Anupam Tex Processors Pvt. Ltd.	₹ 10,197.00
Apex Fire Protection	₹ 2,92,727.80
APL Logistics India Pvt. Ltd.	₹ 1,13,079.25
Arihant Infocom LLP	₹ 7,353.76
Arihant Traders	₹ 4,467.01
A.R.Impex	₹ 16,493.70
AS Consultancy & Analytical Services	₹ 39,916.00
Ashaanand Exim	₹ 1,575.00
Asha Impex	₹ 2,52,46,629.68
Ashok Textiles	₹ 36,007.00
Asian Overseas	₹ 515.00
Asian Texo Prints	₹ 6,284.00
Aspect Textiles	₹ 75,62,613.00
A.S.Solution	₹ 34,068.00
Aura Technologies	₹ 10,249.50
Auro Textiles (VARDHMAN TEXTILES LIMITED)	₹ 59,76,558.19
Avery Dennison (India) Pvt. Ltd.	₹ 65,117.68
Avi Fashion	₹ 24,83,815.00
Avon Containers Pvt Ltd.	₹ 1,25,400.96
Avsu Fashion	₹ 1,45,27,716.00
Awdhesh Enterprises	₹ 62,956.00
A Won Motors	₹ 19,188.00
Baba Sewing Systems	₹ 28,521.00
Bablu Gupta	₹ 22,459.00
Bajaj Foods And Caatters (06AYRPB7963Q2ZG)	₹ 55,125.00
Barani & Co	₹ 14,700.00
Barani Synthetics	₹ 23,940.00
Barefoot International	₹ 3,48,843.00
Bharat Enterprises	₹ 13,195.00
Bharat Ram Raj Kumar & Co.	₹ 19,761.00
B. Kumar & Sons	₹ 35,813.00

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Blue Dart Express Ltd.	₹ 22,972.88
Bombay Interior Decorators	₹ 71,075.00
Broekman Logistics India Private Limited	₹ 15,691.16
Bureau Veritas Consumer Products Services (I) Pvt.	₹ 12,19,687.79
C&A Overseas	₹ 30,554.00
Caravan Carriers Pvt. Ltd	₹ 30,145.00
CeaseFire Industries Pvt. Ltd.	₹ 1,41,167.00
Chambrays	₹ 168.00
Chargeurs PCC India PVT Ltd	₹ 4,47,766.00
Charming Trim India Pvt.Ltd.	₹ 470.00
Charu Creation Pvt.Ltd.	₹ 15,904.00
Checkpoint ALS India Pvt Ltd(Tamil Nadu)	₹ 6,07,513.00
Chirag Enterprises	₹ 62,611.00
Chitraranjan Engineering	₹ 5,68,682.52
Chugh Scale Company	₹ 3,456.00
Chugh Scale Pvt. Ltd.	₹ 24,190.00
Clarion Growth Fund Pvt. Ltd.	₹ 1,93,400.93
Classic Chem India	₹ 1,74,685.00
Classic Embroidery Pvt.Ltd.	₹ 2,01,560.00
C.M.Sharma & Co.	₹ 54,000.00
Colorized India	₹ 772.50
Competent System Resources	₹ 1,45,458.00
Creative Dyeing & Printing Mills Pvt. Ltd.	₹ 4,45,17,508.00
CTA Apparels Private Limited	₹ 18,05,547.00
Daksh Filaments	₹ 51,432.00
Dawer Fabrics	₹ 5,64,632.00
Deccan Weaves Private Limited	₹ 2,44,819.99
Dev Labels	₹ 4,06,666.00
Dhani Ram (Babita)	₹ 9,750.00
DHL Express India Pvt Ltd(Delhi)	₹ 93,986.61
DHL Express (I) Pvt. Ltd.(Haryana)	₹ 2,88,496.81
Disha Enterprise	₹ 9,860.00
Diya Exports	₹ 17,82,428.00
DN Enterprises	₹ 26,63,503.64
Document Solution	₹ 15,721.00
Dolama Marketing Pvt. Ltd.	₹ 5,253.50
DPR Cargo Private Limited	₹ 4,475.00
Dr.J.P.Gupta	₹ 20,700.00
Dynamic Fire Protection	₹ 3,85,622.00
Eagle Silk Mills Pvt. Ltd	₹ 4,233.00
Elxire IT Services Pvt.Ltd.	₹ 32,400.00
Embro Sales & Services	₹ 1,91,650.68
Emsig Manufacturing India Pvt. Ltd.	₹ 15,830.88
Eurofins Products Testing India Pvt. Ltd.	₹ 22,301.18
Ever Green Clothing	₹ 2,111.00
Expeditors International (India) Pvt. Ltd.(Gurgaon)	₹ 36,722.00
Expeditors International (India) Pvt. Ltd. (MUMBAI)	₹ 27,259.00
Fabric Collections	₹ 30,211.00
Fabric Solutions Unit Of Kashiram Fabrics Pvt Ltd	₹ 20,072.00
Flying Cargo Pvt . Ltd	₹ 8,33,142.00
Fresco Sign & Safety Corporation-GST Suspended	₹ 51,495.20
FUTURE FIBRES AND FILAMENTS	₹ 4,668.00
Future Generation It Solutions	₹ 2,124.00
Ganga Acrowools Limited	₹ 4,832.00
Gauge International	₹ 2,65,474.00
Gem Exports	₹ 9,95,909.00

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Global Aircon-GST Not Filing	₹ 35,770.00
Global Electronics System	₹ 8,892.00
Glow Embroidery P.Ltd.	₹ 53,764.00
Golden Weaves	₹ 24,09,729.00
Gravitas Enterprises Pvt. Ltd.	₹ 18,854.33
G R Infotech	₹ 6,018.00
Grover Nursing Home	₹ 14,310.00
G. S. Garments	₹ 5,897.00
Gudi Exports Private Limited	₹ 32,99,479.39
Gujarat Env. Prot. & Infra. (Haryana)Pvt.Ltd.	₹ 2,145.00
Gul Mohar Fashions	₹ 12,893.80
Guru Kirpa Air Conditioning Co	₹ 3,27,793.00
Hari Chand Anand & Co.	₹ 2,81,958.00
Harinam Impex	₹ 3,96,791.00
Harkesh Kumar Yadav	₹ 9,500.00
Harminder Fabrics	₹ 5,560.00
Haryana Texprints (Overseas) Limited(1ZE)	₹ 7,041.36
Hemla Embroidery Mills Pvt. Ltd.	₹ 93,24,048.45
Hemla Embroidery Mills Pvt. Ltd.(Unit-II)	₹ 1,76,15,416.34
Hem Oil & Chemicals	₹ 49,560.00
Heritage Fabrics	₹ 2,14,74,034.56
H G Fashion	₹ 98,25,367.00
Hoda Overseas	₹ 1,89,520.00
H P Enterprises- New	₹ 1,18,18,949.55
Huaren Linen India Pvt. Ltd.	₹ 7,613.00
IIGM Pvt. Ltd.	₹ 41,233.00
Imran Saifi	₹ 3,589.00
Intello Tech AMC Pvt Ltd	₹ 22,184.00
International Agency	₹ 11,42,64,915.04
Intertek India Pvt. Ltd.	₹ 7,705.46
Inventive Gas Equipment Pvt. Ltd.	₹ 42,08,785.00
Ishardass Trading Co.Pvt.Ltd	₹ 2,507.00
IT Care N Services	₹ 67,756.00
IT Infosys	₹ 96,179.00
Jain Cord Industries PVT. LTD	₹ 17,84,487.77
J.B.Dyeing Mill	₹ 86,056.00
JD Enterprises	₹ 1,02,985.00
Jindal PolyButtons Pvt. Ltd.	₹ 12,36,642.90
Jindba Processors Pvt Ltd	₹ 60,63,890.00
JMD Sewtech	₹ 1,82,786.60
JMK Enterprises	₹ 71,166.00
J.R Infotech	₹ 2,88,199.00
J S Enterprises (06ANQPB1885R1Z9)	₹ 2,596.00
Just Fabrics	₹ 1,12,67,016.00
Kailash Brothers	₹ 2,977.00
Kalpana Canteen Services	₹ 1,57,219.00
Kalra Print Pack	₹ 2,83,059.00
Karam X-Press Movers	₹ 6,631.00
Karan International	₹ 48,18,131.00
Karman Enterprises	₹ 20,651.00
Kartik Sourcing Pvt Ltd	₹ 87,989.00
K.C.Astir & Co. Pvt. Ltd.	₹ 11,189.00
Keviv Uros	₹ 15,828.00
K G N Interior	₹ 20,93,561.62
Khetan Corporate Solutions Pvt. Ltd.	₹ 9,47,938.48
Khetan Overseas	₹ 303.44

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Khoobsoorat Design Fabrics	₹ 6,206.00
Knit Aid Private Limited	₹ 2,73,528.00
Kolour Spintek Ltd	₹ 6,888.00
Kot Enterprises	₹ 45,21,265.00
Krishan K.Gupta & Co.	₹ 43,200.00
Krishna Lamicoat Pvt. Ltd.	₹ 17,500.00
K S Enterprises	₹ 1,02,11,589.00
KSPL MARITIME INDIA INC.	₹ 48,732.00
Labtex India	₹ 8,370.00
Laxmi Construction	₹ 28,14,429.30
Linkers India Logistics Pvt. Ltd.	₹ 1,43,599.00
Linkexpress Logistics Private Limited	₹ 53,480.00
Lotus Textiles	₹ 55,407.00
L.V.Textiles	₹ 3,68,57,937.35
Madura Coats Pvt.Ltd.(Haryana)	₹ 66,04,841.00
Mahabir Sequins Private Limited	₹ 5,565.00
Mainetti (India) Pvt. Ltd.	₹ 3,66,696.00
Malik Brothers	₹ 40,186.00
Manavta Hospitals P. Ltd.	₹ 9,911.00
Mandhana Industries Ltd.	₹ 3,60,055.99
Manohar Filaments Pvt. Ltd.	₹ 3,19,723.00
Max Trade Ltd. Hong Kong	₹ 28,90,829.36
Maya Beeding House	₹ 1,38,844.00
Meet Furniture Mart	₹ 18,328.00
Mehra Tempo Service	₹ 1,22,584.00
Metro Speed Courier	₹ 8,411.00
MI Industries ( India ) Pvt. Ltd.	₹ 2,17,838.18
M.K.Enterprises	₹ 3,88,199.00
MML Express	₹ 6,60,988.00
Mnb Digital Solutions Pvt. Ltd.	₹ 11,367.37
Modish Knitwears Pvt. Ltd.	₹ 7,43,742.00
Mohan Ji & Co.	₹ 54,583.00
Mohan Trading Corporation	₹ 2,49,292.00
Mohit Industrial Machine	₹ 11,760.00
Mona Enterprises	₹ 1,05,348.00
Monga Fashion	₹ 45,45,570.00
Monica Fashions	₹ 5,245.00
M-Pack	₹ 1,07,471.00
MR Waste Management Services Co.	₹ 1,062.00
Mudit Sales	₹ 2,64,649.20
Mukesh Tiwari	₹ 88,497.00
Myq Engineering Pvt.Ltd	₹ 1,69,091.00
Nanotex Solutions	₹ 39,530.00
Naresh Goyal	₹ 29,880.00
Naresh Kumar	₹ 1,56,537.79
Natco Products India Private Limited	₹ 20,42,314.90
National Fabricators	₹ 5,94,219.00
Naveen Confectioners(Naveen Garg)	₹ 46,875.00
Nav Jyoti Chemicals	₹ 95,037.00
NCR Dyeing & Printing Mills	₹ 6,34,237.97
Neeta Polycots	₹ 4,31,569.03
Neeta Polycots ( Faridabad)	₹ 1,312.00
Nilkamal Limited	₹ 27,140.00
Nirmal Kumar Thakur	₹ 13,950.00
N.M. Fashion	₹ 92,51,713.00
Noor Fabrications	₹ 6,63,226.92

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N.S.H Global Forwarding	₹ 9,090.00
N.S.Hussaina Logistics Services	₹ 1,11,394.56
NSL Textiles Ltd.	₹ 5,838.00
Oswal Woollen Mills Ltd	₹ 40,350.00
Oxford Industries	₹ 49,112.00
Pacific Solutions	₹ 9,53,270.00
Pal Color Solutions	₹ 21,46,013.00
Pancham Thread & Apparels	₹ 676.00
Pankaj Exports	₹ 6,564.00
Paras Narrow Fabric	₹ 10,724.00
Parth IT Solutions	₹ 1,02,900.00
Pasupati Spinning & Weaving Mills Ltd.	₹ 12,34,373.00
Pawan Medical Store	₹ 9,722.00
People Fab	₹ 64,73,230.26
Perfect Worldwide Courier	₹ 9,010.00
Permeshwar Overseas Inc	₹ 6,23,934.40
Pintu Kushwaha	₹ 13,050.00
Pionexco North	₹ 13,050.00
P.P Yarn Agencies	₹ 27,966.00
Prabu Printers	₹ 4,14,098.00
Prakaash Creations	₹ 5,959.00
Preet Enterprises	₹ 2,68,730.00
P.R.Fabrics	₹ 10,41,691.00
Prime Fabricators	₹ 68,37,885.00
Prime Hospital & Ortho Center	₹ 6,936.00
Priya Plastic	₹ 5,05,556.00
Pulse Sewing Solutions	₹ 75,760.08
Q-One	₹ 2,009.00
Rajindra Tour & Travels Pvt. Ltd.	₹ 1,86,560.00
Ram Enterprises	₹ 10,21,841.84
Ram Kumar Thakur	₹ 6,55,894.34
Ramsons Garments Finishing Equipments Pvt. Ltd.	₹ 35,114.00
Rao Enterprises	₹ 2,360.00
R C J C	₹ 3,399.00
RCPL Logistics Pvt.Ltd	₹ 2,41,366.00
Redefine Express Pvt Ltd	₹ 11,004.00
R.G.Industries	₹ 7,91,812.61
RI Teksolutions Pvt. Ltd.	₹ 3,398.00
Ritu Enterprises(Contractor)	₹ 76,50,494.00
Ritu Hand Embroidery	₹ 3,41,366.10
RK Trading Company	₹ 1,14,580.36
R M International	₹ 3,77,576.40
R.M.P.Fab Sourcing Pvt. Ltd.	₹ 1,71,04,994.35
RN Sharma	₹ 21,150.00
Rohan Creation	₹ 28,759.00
R-Pac India Pvt Ltd	₹ 6,97,798.00
R.S Print Fab Pvt Ltd	₹ 1,59,207.00
RT Computers	₹ 7,670.00
Rubeena Exim Pvt Ltd	₹ 79,36,867.45
Ruby Enterprises	₹ 6,13,375.74
Rungta International	₹ 7,14,505.00
RV Electrical Engineers	₹ 21,460.00
S.A.Enterprises	₹ 1,34,505.16
Saffron Enterprises (New)	₹ 10,52,689.00
Sagar Fabrics	₹ 28,958.00
Sahi Nirakar Textile Private Limited	₹ 1,20,550.00

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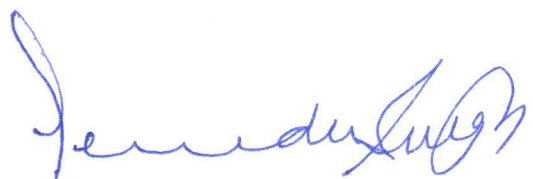
Sahni Fabs	₹ 1,359.00
Sai Enterprises	₹ 36,364.00
Sai Overseas	₹ 3,14,056.00
Sai Trading Company	₹ 6,18,946.18
Sakho Enterprises	₹ 80,779.56
Sani Infosystems Pvt. Ltd	₹ 1,04,186.52
Santhi Processing Unit Pvt. Ltd.	₹ 47,31,419.08
Sarang Silk Private Limited	₹ 3,151.00
Sarna Engineering Corp.	₹ 53,342.00
Satya Trading Company	₹ 15,402.00
Savcon Thermal Engrs. (I) P. Ltd	₹ 11,194.70
Schematic System	₹ 1,55,131.60
Schmetz India Pvt. Ltd.	₹ 1,25,416.26
S.D Sourcing (India)	₹ 1,28,950.40
Seema Enterprises (Delhi)	₹ 861.00
Sevenseas Global Express Logistics PVT. Ltd	₹ 3,79,008.56
Shanker Clothex Pvt. Ltd.	₹ 2,21,67,261.83
Shanker Fabrics	₹ 20,06,434.00
Sharma Assocites	₹ 8,640.00
Sharma Enterprises	₹ 1,160.00
Sharma Lifting & Engineers	₹ 1,50,220.00
Shivam Enterprises (06BXQPA2974K1Z3)	₹ 2,13,909.70
Shivam Shubham HUF	₹ 4,855.00
Shivani Enterprises	₹ 58,836.62
Shiv Chem Enterprises	₹ 8,765.00
Shiv Shakti Enterprises	₹ 53,517.00
Shiv Shakti Express Cargo Service	₹ 9,800.00
Shree Hari Fashion	₹ 2,730.00
Shree Laxmi Dyeing	₹ 86,014.00
Shreem Enterprises	₹ 8,236.00
Shree Rang Logistics Pvt. Ltd.	₹ 17,674.00
Shree Salasar Exim	₹ 1,54,338.40
Shree Sidhi Vinayak Texcolours Private Limited	₹ 7,23,329.00
Shri Giriraj Traders	₹ 5,66,845.00
Shri Hanuman Dyeing	₹ 21,669.40
Shri Jai Lal Enterprises	₹ 2,56,659.00
Shri Murugan Export	₹ 5,355.00
Shubham Exports	₹ 26,670.00
Shyam Kumar	₹ 1,27,222.20
Shyam Textile	₹ 1,030.00
Sidhant Electricals	₹ 9,41,893.70
Simran Technologies (07ABKPS5140E2ZN)	₹ 17,582.00
SjS Spinknit Private Limited	₹ 11,563.00
S.K Air Systems	₹ 9,860.00
Skylark Elevator Co.	₹ 2,11,445.00
Skylight Express Pvt Ltd	₹ 9,435.00
SML Label India Pvt. Ltd.	₹ 26,18,439.56
Soni And Associates (ATQPS3127B)	₹ 3,60,000.00
Soni Enterprises	₹ 5,670.00
Soni Textile	₹ 1,050.00
Sonu Craft	₹ 20,420.10
Sovi Enterprises	₹ 2,17,221.81
S R Apparels	₹ 16,007.00
S R Enterprises (06KOWPS1654N1ZR)	₹ 1,25,242.90
Srishti Enterprises	₹ 1,87,975.00
S.R.Trading Company	₹ 29,863.00

Sanjay Kumar

12/11/20



SSJR MACHINES	₹ 44,062.00
Standard Transport Solutions P Ltd	₹ 1,44,350.00
Star Link Communication Pvt.Ltd.	₹ 48,187.24
Star Overseas Express	₹ 8,299.00
Stitch Aid	₹ 63,000.00
Stitch Technologies India Pvt.Ltd.	₹ 5,122.00
Sunil Electronics	₹ 13,340.00
Sunrise Fashion	₹ 1,70,675.00
Supreme Nonwoven Industries Pvt Ltd	₹ 5,88,224.00
Swedhaa Cotton Mills	₹ 30,95,481.75
Syed Nayyer Habib	₹ 6,250.00
Sytara Sourcing	₹ 1,12,49,584.00
Tagai	₹ 1,008.00
Tahir	₹ 3,366.00
Tantra Fashion	₹ 34,40,942.00
Tarini Trendz	₹ 70,553.70
Tarun Enterprises	₹ 79,650.00
Tata Teleservices Ltd	₹ 1,29,800.00
TCI Freight	₹ 35,000.00
Testtex India Laboratories Pvt. Ltd.	₹ 3,363.00
The Bharat Motor Transport Co.(P) LTD	₹ 4,200.00
Threads India	₹ 40,257.00
T & T Motors Ltd.	₹ 71,277.00
Tulip Elastics International- Delhi	₹ 7,17,437.66
Tulip Elastics Pvt. Ltd.-UP	₹ 5,85,309.87
TuvSud South Asia Pvt. Ltd.	₹ 39,896.62
U.K Handicraft	₹ 7,140.00
U Like Enterprises	₹ 4,633.00
UL India Private Limited	₹ 68,697.22
Ultimate Yarn Industry	₹ 6,111.00
Unique Logistics International(India) Pvt Ltd	₹ 4,882.14
UPC Instruments Private Limited	₹ 42,928.00
UPS Express Pvt Ltd(Gurgaon)	₹ 1,02,533.73
Usha Highway Filling Station	₹ 19,980.00
V Aqua Engineers	₹ 36,068.00
Vardhman Yarns & Threads Ltd.	₹ 3,07,655.02
Varsha Textile	₹ 6,700.00
Venture India Fabmart (P) Ltd.	₹ 2,86,297.00
Vibhuti Fashions	₹ 3,183.00
Vidya Quality and Safety Solution Experts Pvt Ltd.	₹ 1,07,345.24
Viga Enterprises	₹ 3,85,434.00
Vikash Suman Dyeing	₹ 2,701.00
Vishal Sewtech	₹ 4,92,688.00
Viva Marketing	₹ 1,33,650.00
Vivek Dubey	₹ 11,070.00
V.S Enterprises (06AAPFV2792P1Z6)	₹ 1,587.00
Wadhwa Dyes & Chemicals	₹ 15,83,208.00
Watline Systems Pvt. Ltd.	₹ 25,40,899.00
Weave Art	₹ 87,960.00
Well Pack Industries	₹ 19,32,301.01
Yarn Plus	₹ 46,620.00
YCD Industries Limited	₹ 3,71,713.00
Zener Solutions	₹ 36,679.00
<b>Grand Total</b>	<b>₹ 57,12,10,647.24</b>



# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN : U74999HR1958PTC002248

PROVISIONAL BALANCE SHEET AS AT 31 DECEMBER - 2023

Particulars	Note No.	As at 31 Dec , 2023	As at 31 March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
(a) Share Capital	2	45,00,000.00	45,00,000.00
(b) Reserves and Surplus	3	54,51,38,067.67	54,30,00,648.96
<b>(2) Non Current Liabilities</b>			
(a) Long Term Borrowings	4	3,33,27,788.68	7,24,66,950.00
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	3,97,16,345.57	1,85,53,618.32
(b) Short Term Borrowings		-	-
(c) Other Current Liabilities	6	48,92,916.44	79,76,540.50
(d) Short-Term Provisions	7	-	-
<b>Total Equity &amp; Liabilities</b>		<b>62,75,75,118.36</b>	<b>64,64,97,757.78</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment			
(i) Property, Plant and Equipment	8	29,21,49,606.16	32,95,54,064.74
(ii) Deffered Tax	9	70,87,816.66	70,87,816.66
(b) Long term loans and advances	10	2,11,18,160.02	2,76,29,631.22
(c) Other Non current assets	11	36,51,427.04	36,51,427.04
<b>(2) Current Assets</b>			
(a) Inventories	12	2,72,67,376.25	2,89,93,813.27
(b) Trade Receivables	13	10,65,81,244.72	7,91,02,376.83
(c) Cash and cash equivalents	14	15,12,00,185.88	16,64,88,530.59
(d) Short-term loans and advances	15	75,80,350.95	39,90,097.43
(e) Investments Liquiloans		1,09,38,950.68	-
<b>Total Assets</b>		<b>62,75,75,118.36</b>	<b>64,64,97,757.78</b>

Significant accounting policies

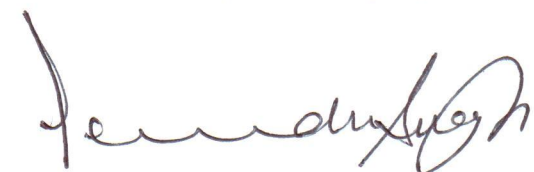
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Notes to the financial statements


2-46

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date



P.S Uppal  
Director  
DIN : 00253329



P.M.S Uppal  
Director  
DIN: 00253279

Place: FARIDABAD

Date: 05-02-2024

Place: FARIDABAD

Date: 05-02-2024



# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN : U74999HR1958PTC002248

## PROVISIONAL PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31 DEC - 2023

Sr. No	Particulars	Note No.	For the year ended 31 Dec, 2023	For the year ended 31 March, 2023
I	Revenue from operations	16	27,97,73,545.96	40,27,76,615.37
II	Other Income	17	32,99,067.54	2,69,46,846.49
III	<b>III. Total Income (I +II)</b>		<b>28,30,72,613.50</b>	<b>42,97,23,461.86</b>
IV	<u>Expenses:</u>			
	Cost of materials consumed-Raw Material, & Consumables	18	7,42,28,729.52	12,17,70,490.15
	Changes in inventories of finished goods & WIP	19	10,32,031.15	47,433.36
	Employees Benefit Expenses	20	3,55,47,779.35	4,83,81,106.92
	Financial Costs	21	46,43,142.88	33,01,845.72
	Depreciation and Amortization Expenses	22	3,78,72,923.00	3,73,18,845.57
	Other Expenses	23	11,97,38,472.12	16,63,12,495.06
	<b>Total Expenses (IV)</b>		<b>27,30,63,078.02</b>	<b>37,71,32,216.78</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>1,00,09,535.48</b>	<b>5,25,91,245.08</b>
VI	Exceptional Items			-
VII	Profit before extraordinary items and tax (V - VI)		<b>1,00,09,535.48</b>	<b>5,25,91,245.08</b>
VIII	Extraordinary Items			-
V	Profit before tax		<b>1,00,09,535.48</b>	<b>5,25,91,245.08</b>
VI	<u>Tax expense:</u>			
	(1) Tax for Previous Years		100.00	78,740.74
	(2) Current Tax		78,67,316.01	98,08,776.25
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>21,42,319.47</b>	<b>4,27,03,728.09</b>
	Profit/(Loss) from Discontinuing operations			-
	Profit/(Loss) from Discontinuing operations (XII - XIII)			
	Deffered Tax		-	22,92,913.34
XII	Profit/(Loss) for the period		<b>21,42,319.47</b>	<b>4,04,10,814.75</b>
XIV	Earning per equity share:			
	(1) Basic		0.47	8.98
	(2) Diluted		0.47	8.98

Significant accounting policies

Notes to the financial statements

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date

P.S Uppal

Director

DIN : 00253329

1

2-46

P.M.S Uppal

Director

DIN: 00253279

Place: FARIDABAD

Date: 05-02-2024

Place: FARIDABAD

Date: 05-02-2024

**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023

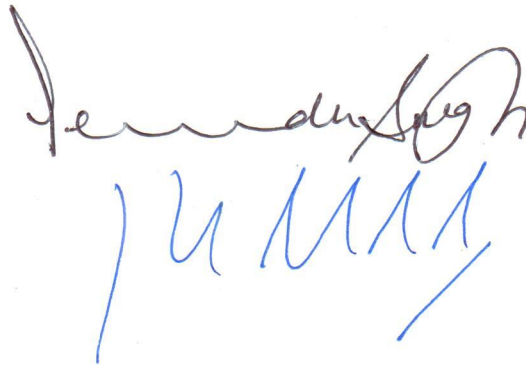
**Note : 2 Share Capital**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	<b>AUTHORIZED CAPITAL</b> - 50,000 Equity Shares of Rs. 100/- each.	50,00,000	50,00,000
		50,00,000	50,00,000
2	<b>ISSUED SUBSCRIBED &amp; PAID UP CAPITAL</b> - 45,000 Equity Shares of Rs. 100/- each, Fully Paid up	45,00,000	45,00,000
	<b>Total in Rs.</b>	<b>45,00,000</b>	<b>45,00,000</b>

Equity shareholders are only entitled to vote.

ii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Opening Balance	Closing Balance
<b>Equity Shares with voting rights</b>		
<b>Year ended March 31, 2023</b>	45,000.00	45,000.00
Number of shares	45,00,000.00	45,00,000
Amount in Rs.		
<b>Year ended Sept 30, 2023</b>	45,000.00	45,000.00
Number of shares	45,00,000.00	45,00,000.00
Amount in Rs.		

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**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

*Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023*

iii. There are no rights, preferences and restrictions attached to any share.

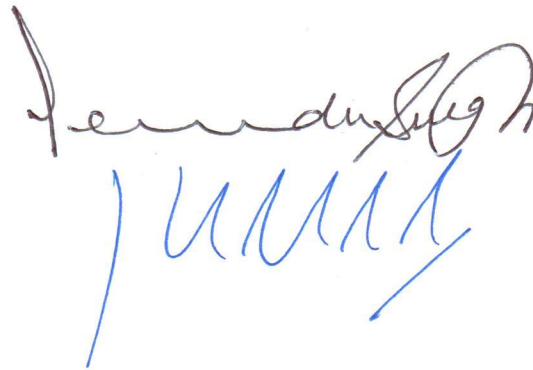
iv. Details of shares held by each shareholder holding more than 5% shares

Class of Shares / Name of shareholder	Dec 31, 2023	%	March 31, 2023	%
<u>Equity Shares with voting rights</u>				
Pee Empro Exports Pvt Ltd	40,950	91.00%	40,950	91.00%

Share Held by Promoters at the end of the year		As on 31.12.2023		As on 31.03.2023		
S.no	Promoter Name	No. of shares	% of total Shares	No. of shares	% of total Shares	% change during the year
1	Ginny Uppal	100	,.2222	100	,0.22222	Nil
2	Perminder Singh Uppal	1925	,4.2777	1925	,4.27777	Nil
3	Preet Mohinder Singh Uppal	2025	,4.5	1925	,4.27777	Nil

**Note : 3 Reserve & Surplus**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	<u>Surplus (Profit &amp; Loss Account)</u>		
	Balance brought forward from previous year	45,21,71,038.97	41,17,65,124.98
	General Reserve	7,80,97,025.79	7,80,97,025.79
	Gratuity Fund	55,500.00	55,500.00
	Revaluation Reserve	1,26,72,183.44	1,26,72,183.44
	Profit/(Loss) transferred for the period	21,42,319.47	4,04,10,814.75
		54,51,38,067.67	54,30,00,648.96





**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

*Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023*

**Note : 4 Long Term Borrowings**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	<u>Secured</u>		
1	<u>Federal Bank Auto Loan A/c</u>	29,42,709.00	33,79,740.00
2	HDFC Bank Ltd. (Car Loan)	34,78,459.00	
3	Kotak Mahindra Prime Ltd (Car Loan)	-	4087210.00
4	Karur Vysaya Bank Ltd (Term Loan against Hypothecation of plant & Machinery)	2,69,06,620.68	65000000.00
	<b>Total in Rs.</b>	<b>3,33,27,788.68</b>	<b>7,24,66,950.00</b>

**Note : 5 Trade Payable**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Sundry Creditors	3,97,16,345.57	1,85,53,618.32
	<b>Total in Rs.</b>	<b>3,97,16,345.57</b>	<b>1,85,53,618.32</b>

**Trade Payable ageing for the financial year 2023-2024**

S.No.	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	3,97,16,345.57	-	-	-	3,97,16,345.57
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>					<b>3,97,16,345.57</b>

**Trade Payable ageing for the financial year 2022-2023**

S.No.	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	1,85,53,618.32	-	-	-	1,85,53,618.32
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	<b>Total</b>					<b>1,85,53,618.32</b>

**Note : 6 Other Current Liabilities**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Advance from Customers	46,142.44	1,25,773.00
2	Statutory Liabilities	10,14,114.00	11,88,341.00
3	Expenses Payable	38,32,660.00	66,62,426.50
	<b>Total in Rs.</b>	<b>48,92,916.44</b>	<b>79,76,540.50</b>

**Note : 7 Short Term Provisions**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
3	Provision for Income Tax / (MAT)	-	-
	<b>Total in Rs.</b>	<b>-</b>	<b>-</b>

**HEMLA EMBROIDERY MILLS (P) LTD**  
Regd. Office: 14/6, Main Mathura Road, Faridabad  
CIN: U74999HR1958PTC002248

**Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023**

**CORPORATE INFORMATION**

Hemla Embroidery Mills (P) Ltd is a company incorporated on 21st August 1958. The Company's registered office is 14/6, Mathura Road, Faridabad Haryana-121003. The Company is engaged in manufacturing of sale and Job work of Embroidery Cloth and Crochet Laces. The Company Having its manufacturing facility located at 14/6, Mathura Road, Faridabad as Unit-1 and plot No. 18, DLF ind. Area, Ph-1, as Unit-2 and also Having its Showroom at Nehru Place, New Delhi-110019.

**1 SIGNIFICANT ACCOUNTING POLICIES**

**1.1 GENERAL**

The accounts have been prepared on the basis of "HISTORICAL COST CONVENTION" in accordance with the generally accepted accounting policies.

The company follows "accrual method" of accounting except where otherwise stated.

Accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting standard issued by the Institute of Chartered Accountants of India and in its absence International Accounting Standards

**1.2 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment in the Balance Sheet are stated at cost of acquisition less accumulated depreciation, Cost is inclusive of all charges less input credit of GST

**1.3 DEPRECIATION**

Depreciation has been provided on WDV method as per rates prescribes under Schedule II of The Companies Act, 2013.

**1.4 INVESTMENTS**

The company does not have any Investments.

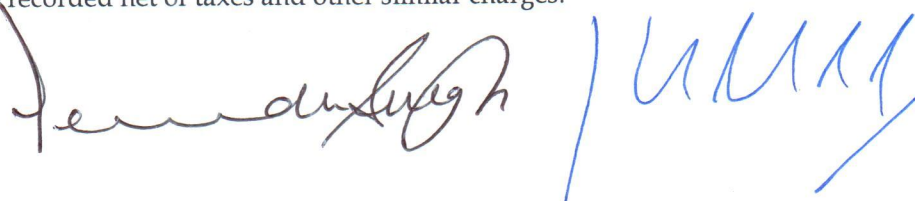
**1.5 INVENTORIES**

Raw Material is valued at cost . Finished Goods at Showroom is valued at cost price. Finished and Semi Finished Goods at factory is valued at Sale Price with an adjustment 20% (Net realizable value) as in the earlier years.

**1.6 REVENUE RECOGNITION**

Revenue from sale of goods recognized when the significant risk & reward of ownership have been transferred to the buyer, recovery of the consideration is certain, the associated costs and possible return of the goods can be measured reliably.

Revenue are recorded net of taxes and other similar charges.

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**HEMLA EMBROIDERY MILLS (P) LTD**  
Regd. Office: 14/6, Main Mathura Road, Faridabad  
CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023

**1.7 CONTINGENT LIABILITIES**

No Provision has been made in the account for liabilities, which are contingent in nature. But if material, the same are disclosed by way of notes to accounts

**1.8 TAX ON INCOME**

Current Tax is determined in accordance with provision of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.

Deferred tax has been recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

**1.9 PRIOR PERIOD ADJUSTMENTS, EXTRA ORDINARY ITEMS AND CHANGES IN ACCOUNTING POLICY**

Prior Period adjustments, extra -ordinary items and changes in accounting policies having material impact on the financial affairs of the Company where ever considered necessary are disclosed

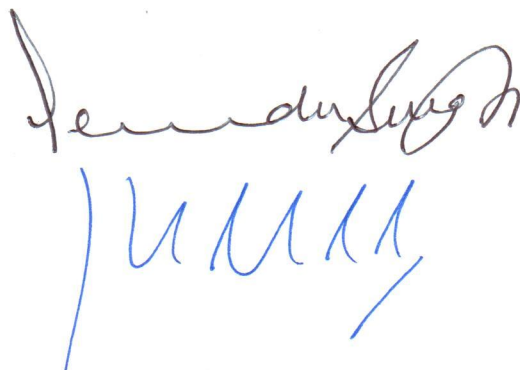
**1.10 RETIREMENT BENEFITS**

Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

**1.11 BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.



**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023

**Note : 9 Deferred Tax**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	Deferred Tax	70,87,816.66	70,87,816.66
	<b>Total in Rs.</b>	<b>70,87,816.66</b>	<b>70,87,816.66</b>

**Note : 10 Long Term Loans and Advances**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Advance to Vatika against Purchase of Property	1,71,11,820.00	1,71,11,820.00
2	Income Tax recoverable	-	49,92,544.20
3	Interest receivable	40,06,340.02	55,25,267.02
	<b>Total in Rs.</b>	<b>2,11,18,160.02</b>	<b>2,76,29,631.22</b>

**Note : 11 Other Non Current Assets**

Amount in Rs.

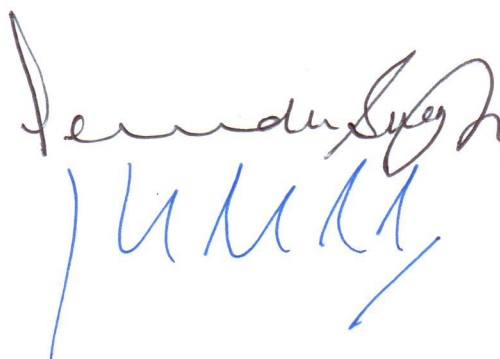
Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	<b>Deposits</b>		
1	Security Deposits	35,65,188.00	35,65,188.00
2	Project Promotion Expenses	86,239.04	86,239.04
	<b>Total in Rs.</b>	<b>36,51,427.04</b>	<b>36,51,427.04</b>

**Note : 12 Inventories**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Raw Material	48,87,363.87	53,92,364.10
2	General Stores	1,12,35,425.41	1,14,24,831.05
3	Finished Goods	1,03,83,791.57	1,13,41,414.12
4	Work in Progress	7,60,795.40	8,35,204.00
	(Finished Goods at cost or market value which ever lower, Raw Material / Packing Material at Cost and Work in Progress at Raw Material, direct labour and overhead cost.)		
	As per inventories taken, valued and certified by the Management		
	<b>Total in Rs.</b>	<b>2,72,67,376.25</b>	<b>2,89,93,813.27</b>

**Note : 13 Trade Receivables**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Sundry Debtors	10,65,81,244.72	7,91,02,376.83
	<b>Total in Rs.</b>	<b>10,65,81,244.72</b>	<b>7,91,02,376.83</b>





# HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Integral Part of the Balance Sheet as at 31 DEC -2023

## Note : 9 Deferred Tax

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	Deferred Tax	70,87,816.66	70,87,816.66
	Total in Rs.	70,87,816.66	70,87,816.66

## Trade Receivables ageing for the financial year 2023-2024

S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good					-	-
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	49,53,228.06	49,53,228.06
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	Total						49,53,228.06

## Trade Receivables ageing for the financial year 2022-2023

S.No.	Particulars	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables - considered good	7,28,81,620.87	4,88,662.12	4,27,090.38	46,389.00	-	7,38,43,762.37
(ii)	Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	49,53,228.46	49,53,228.46
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	3,05,380.00	3,05,380.00
	Total						7,91,02,376.83

## Note : 14 Cash & Cash Equivalent

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Cash-in-Hand Cash Balance	3,87,390.26	4,17,901.62
	Sub Total (A)	3,87,390.26	4,17,901.62
2	Balances with Scheduled Banks In Current Accounts Fixed Deposit (Including Interest Accrued)	1,74,54,605.62 13,33,58,190.00 15,08,12,795.62	2,72,37,664.97 13,88,32,964.00 16,60,70,628.97
	Sub Total (B)	15,08,12,795.62	16,60,70,628.97
	Total [ A + B ]	15,12,00,185.88	16,64,88,530.59

## Note : 15 Short Terms Loans and Advances

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	Advance Recoverable in cash or in kind or for value to be considered good		
1	Employees Advance	5,80,000.00	6,50,500.00
2	Advance to suppliers	7,77,734.23	9,71,091.67
3	Advance Recoverable: GST Input	62,22,616.72	23,68,505.76
	Total in Rs.	75,80,350.95	39,90,097.43

*[Handwritten Signature]*  
*[Handwritten Initials]*

## SCHEDULE 'A' OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31.12.2023

SR. No.	PARTICULARS	COST AS ON 01.04.2023	ADDITION DURING THE YEAR	DEDUCTION	TOTAL COST AS ON 31.12.2023	RATE OF DEP.	TOTAL DEP. UP TO 01.04.2023	DEP. FOR THE YEAR	ADJUSTMENTS	DEP. UPTO 31.12.2023	W.D.V. AS ON 31.12.2023	W.D.V. AS ON 31.03.2023
1	AIR CONDITIONER	1,74,84,762.64	1,87,500.00	-	1,76,72,262.64	45.07	1,57,12,154.98	5,96,060.42	-	1,63,08,215.40	13,64,047.24	17,72,607.66
2	AUTOMOBILES	3,01,08,402.84	-	3,28,329.00	2,97,80,073.84	39.30	1,77,59,049.34	15,90,060.24	3,22,630.00	1,90,26,479.58	1,07,53,594.26	1,23,49,353.50
3	C.C.T.V. SYSTEM	3,74,083.80	-	-	3,74,083.80	45.07	3,02,394.44	24,237.93	-	3,26,632.37	47,451.43	71,689.36
4	COMPUTER	31,12,664.83	63,127.12	-	31,75,791.95	63.16	28,58,936.46	1,30,666.38	-	29,89,602.84	1,86,189.11	2,53,728.37
5	ELECTRIC FANS & COOLERS	4,10,730.04	-	-	4,10,730.04	45.07	4,05,137.20	1,894.00	-	4,07,031.20	3,698.84	5,592.84
6	ELECTRIC FITTING	73,007.40	-	-	73,007.40	25.89	71,521.40	289.00	-	71,810.40	1,197.00	1,486.00
7	ELECTRIC INSTALLATION	74,54,676.48	21,536.30	-	74,76,212.78	25.89	67,55,122.47	1,35,589.34	-	68,90,711.81	5,85,500.97	6,99,554.01
8	ELEVATOR	8,41,501.00	-	-	8,41,501.00	45.07	8,18,073.30	-	-	8,18,073.30	23,427.70	23,427.70
9	BUILDING	8,80,17,147.41	-	-	8,80,17,147.41	9.50	4,61,47,691.29	29,84,787.70	-	4,91,32,478.99	3,88,84,668.42	4,18,69,456.12
10	FACTORY LAND	4,71,45,506.00	-	-	4,71,45,506.00	-	-	-	-	-	4,71,45,506.00	4,71,45,506.00
11	FAX MACHINE	70,962.02	-	-	70,962.02	45.07	68,681.64	-	-	68,681.64	2,280.38	2,280.38
12	FURNITURE & FIXTURE	49,94,509.89	-	-	49,94,509.89	25.89	45,36,625.56	78,851.39	-	46,15,476.95	3,79,032.94	4,57,884.33
13	GENERATOR	1,45,93,830.20	-	-	1,45,93,830.20	45.07	62,07,671.41	28,35,561.31	-	90,43,232.72	55,50,597.48	83,86,158.79
14	INTERCOM	32,687.87	-	-	32,687.87	45.07	32,320.88	125.00	-	32,445.88	241.99	366.99
15	INVERTOR	2,69,941.62	-	-	2,69,941.62	45.07	2,45,754.47	8,177.86	-	2,53,932.33	16,009.29	24,187.15
16	OFFICE/ FACTORY EQUIPMENTS	46,84,691.10	2,02,000.00	-	48,86,691.10	45.07	44,27,942.49	84,975.00	-	45,12,917.49	3,73,773.61	2,56,748.61
17	PHOTOCOPY MACHINE	3,92,722.98	-	-	3,92,722.98	45.07	3,79,914.91	1,155.00	-	3,81,069.91	11,653.07	12,808.07
18	PLANT & MACHINERY	55,66,26,868.23	-	-	55,66,26,868.23	18.10	34,11,48,004.05	2,92,86,038.41	-	37,04,34,042.46	18,61,92,825.77	21,54,78,864.18
19	REFRIGERATOR	1,40,195.23	-	-	1,40,195.23	45.07	1,33,456.95	1,325.00	-	1,34,781.95	5,413.28	6,738.28
20	SOLAR INVERTOR	15,00,000.00	-	-	15,00,000.00	18.10	10,37,312.19	62,867.02	-	11,00,179.21	3,99,820.79	4,62,687.81
21	TANK	2,751.00	-	-	2,751.00	-	2,613.47	-	-	2,613.47	137.53	137.53
22	TEMPO	15,23,498.00	-	-	15,23,498.00	39.30	14,37,963.55	25,257.00	-	14,63,220.55	60,277.45	85,534.45
23	TUBE WELL	16,93,784.59	-	-	16,93,784.59	45.07	16,50,204.92	14,758.00	-	16,64,962.92	28,821.67	43,579.67
24	WASHING MACHINE	20,800.00	-	-	20,800.00	-	20,196.05	-	-	20,196.05	603.95	603.95
25	WATER COOLER	19,63,007.39	-	-	19,63,007.39	45.07	18,94,824.25	10,128.00	-	19,04,952.25	58,055.14	68,183.14
26	WATER HEATER	12,857.00	-	-	12,857.00	45.07	12,504.10	119.00	-	12,623.10	233.90	352.90
27	STRUCTURE ON LEASE PREMISES	14,90,939.00	-	-	14,90,939.00	-	14,16,392.05	-	-	14,16,392.05	74,546.95	74,546.95
	<b>TOTAL</b>	<b>78,50,36,528.56</b>	<b>4,74,163.42</b>	<b>3,28,329.00</b>	<b>78,51,82,362.98</b>		<b>45,54,82,463.82</b>	<b>3,78,72,923.00</b>	<b>3,22,630.00</b>	<b>49,30,32,756.82</b>	<b>29,21,49,606.16</b>	<b>########</b>
	<b>PREVIOUS YEAR FIGURES</b>											

(DIRECTORS)

(DIRECTORS)



**HEMLA EMBROIDERY MILLS (P) LTD**

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit &amp; Loss Accounts for the period ending 31 Dec 2023

**Note : 16 Revenue from Operations**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Embroidery Cloth	56,54,300.77	3,56,33,003.74
2	Crochet Laces	29,82,044.83	46,86,031.53
3	Job Work Received	25,37,11,997.37	29,86,88,943.61
4	Design Development	14,81,543.00	8,83,000.00
5	Sundry Goods	10,88,888.67	20,81,007.55
6	Plain Cloth	28,350.00	34,54,084.32
7	Yarn	7,61,893.14	18,38,026.21
8	Deemed Exports (Embroided Fabric)	1,37,91,360.08	5,52,48,296.91
10	Print Fabrics	2,03,828.60	1,41,507.00
11	Poly Yarn	-	32,400.00
12	Rachel Fabrics	69,339.50	90,314.50
	<b>Total in Rs.</b>	<b>27,97,73,545.96</b>	<b>40,27,76,615.37</b>

**Note : 17 Other Income**

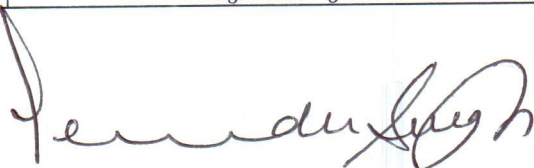

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Interest Received	16,83,854.90	78,48,852.50
2	Profit on Sale of Assets	3,389.83	91,59,317.00
3	Profit on Sale of Car	45,308.00	-
4	Diff. in Exchange Rate Fluctuation	33,489.81	22,917.59
5	Refund of Duty Drawback	15,33,023.00	-
6	Rent Received	-	1,60,000.00
7	Misc. Income	2.00	97,04,497.00
8	Unclaimed Balances	-	17,195.40
9	Revaluation Reserve Written Back	-	34,067.00
	<b>Total in Rs.</b>	<b>32,99,067.54</b>	<b>2,69,46,846.49</b>

**Note : 18 Cost of Material Consumed**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	<b>RAW MATERIALS</b>		
	Opening Stock	1,68,17,195.15	1,87,85,039.84
	Add : Purchase of Raw Material & Others	7,35,34,323.65	11,98,02,645.46
		9,03,51,518.80	13,85,87,685.30
	Less : Closing Stock of Raw Material	1,61,22,789.28	1,68,17,195.15
	<b>Material Consumed</b>	<b>7,42,28,729.52</b>	<b>12,17,70,490.15</b>

**Note : 19 Change of Inventories**

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
a	<b>Finished Goods</b>		
	Opening Stock	1,21,76,618.12	1,13,34,576.12
	Less : Closing Stock	1,11,44,586.97	1,13,41,414.12
	<b>Total-A</b>	<b>10,32,031.15</b>	<b>(6,838.00)</b>
b	<b>Work In Progress</b>		
	Opening Stock	-	8,89,475.36
	Less : Closing Stock	-	8,35,204.00
	<b>Total-B</b>	<b>-</b>	<b>54,271.36</b>
	<b>Change in closing Stock</b>	<b>10,32,031.15</b>	<b>47,433.36</b>



## HEMLA EMBROIDERY MILLS (P) LTD

Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit & Loss Accounts for the period ending 31 Dec 2023

### Note : 20 Employee Benefit Expenses

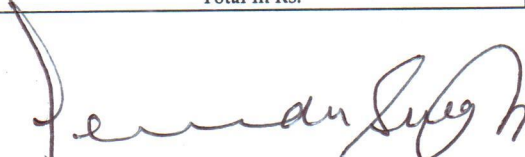

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Establishment Expenses	3,22,97,085.00	4,38,48,378.00
2	Contribution to Provident and Other Funds	18,91,011.00	28,20,619.00
3	Staff Welfare Expenses	13,59,683.35	17,12,109.92
	Total in Rs.	3,55,47,779.35	4,83,81,106.92

### Note : 21 Financial Cost

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Bank Charges	85,985.12	5,02,480.56
2	Interest on loan	45,57,157.76	27,99,365.16
	Total in Rs.	46,43,142.88	33,01,845.72

### Note : 22 Depreciation & Amortised Cost

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
1	Depreciation	3,78,72,923.00	3,73,18,845.57
	Total in Rs.	3,78,72,923.00	3,73,18,845.57

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# HEMLA EMBROIDERY MILLS (P) LTD

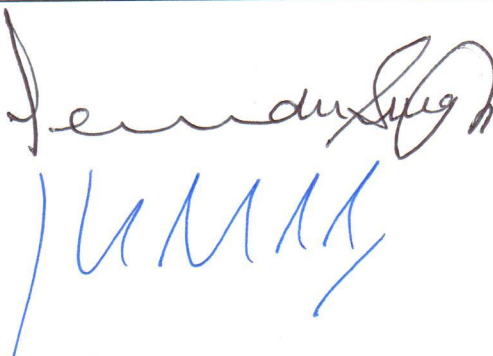
Regd. Office: 14/6, Main Mathura Road, Faridabad

CIN: U74999HR1958PTC002248

Notes Forming Part of the Profit & Loss Accounts for the period ending 31 Dec 2023

## Note : 23 Other Expenses

Sr. No	Particulars	Current Year as on 31-12-2023	Previous Year as on 31-03-2023
	<b>Manufacturing Expenses</b>		
1	Power & Fuel	1,65,92,199.14	2,22,22,961.19
2	Insurance	20,72,643.44	21,23,459.42
3	Loading & Unloading Charges	6,04,228.25	13,10,023.00
4	Repair & Maintenance - Plant & Machinery	36,48,884.87	36,37,594.58
5	Repair & Maintenance - Factory Building	12,57,451.00	17,32,647.00
6	Repair & Maintenance - Others	2,62,246.23	9,66,507.92
7	Bleaching & Dyeing Charges	32,95,347.80	2,60,935.56
8	Job Work Paid	2,08,33,257.07	3,29,81,604.62
9	Contractual Labour	4,58,61,389.67	6,06,78,680.00
10	Wages & Others	92,86,147.80	1,66,80,796.26
	<b>Subtotal (A)</b>	<b>10,37,13,795.27</b>	<b>14,25,95,209.55</b>
	<b>Administrative Expenses</b>		
1	Rates & Taxes	1,96,636.81	5,07,048.63
2	Printing & Stationery	1,08,609.00	4,20,417.76
3	Travelling and Conveyance Expenses	3,51,629.00	2,98,276.00
4	Vehicle Running Expenses	11,05,279.45	18,04,527.93
5	Postage & Telegram & Telephone Exp.	3,72,722.28	4,71,064.83
6	Professional Expenses	29,01,209.00	33,14,209.00
7	Project Promotion Expenses	-	86,240.00
8	General Charges	16,54,246.78	16,80,905.67
9	Advertisement & Publicity	2,96,879.02	3,29,030.72
10	Packing Carriage & Forwarding	7,02,935.28	7,92,587.48
11	Rep. & Maintenance-Others	14,64,968.47	31,05,184.91
12	Rent Paid	42,00,000.00	48,00,000.00
13	Rebate & Discount	-	10,66,918.58
14	Charity & Donation	52,500.00	13,67,560.00
15	Communication Charges	-	40,000.00
16	House Keeping Expenses	20,55,672.28	25,98,012.00
18	Short/Excess Payment of GST	-	81,342.00
19	Software Development Charges	3,38,242.00	6,28,960.00
20	Payment to Auditors	-	-
21	Bad debts	1,45,753.50	-
22	Audit Fee	25,000.00	3,25,000.00
23	Other Capacity	25,000.00	-
24	Share Exps	27,393.98	-
	<b>Subtotal (B)</b>	<b>1,60,24,676.85</b>	<b>2,37,17,285.51</b>
	<b>Total in Rs.(A+B)</b>	<b>11,97,38,472.12</b>	<b>16,63,12,495.06</b>





**M/S HEMLA EMBROIDERY MILLS PVT LTD**  
**14/6, MATHURA ROAD, FARIDABAD**  
**Details of Un-secured Creditors as on 31.12.2023**

Sr. No.	Party's Name	Address	Mail ID	Amount
1	Adani Total Gas Limited	Industrial Plot No. 18, Sector-20B, Near Bata Metro Station, Faridabad	charu.vermani@adani.com	7,618.00
2	Advance Electronics	T-650,M2B,Kumaun Gali ,Baljeet Nagar ,Near Durga Park ,New Delhi	advanceelectronics1989@gmail.com	17,550.00
3	Apex Fire Protection	B-321, Ground Floor, Nehru Ground, Faridabad	sanjay.apexfire@yahoo.com	464.00
4	A.S.Engineering Solution	Plot no.20a/10,Industrial Area ,Opp Whirlpool ,N.I.T. Faridabad 121001	smcfaridabad@gmail.com	11,029.00
5	Asha Schiffli Parts	C-81/82,Pramukh Park ,Opp.Pandesara ,G.I.D.C.,Surat	asha.schiffli.parts@gmail.com	1,43,370.00
6	Acer Green Carriers Pvt Ltd	B-98, Ground Floor, Phase-II, Noida, Dist:- Gautam	faridabad@acergreen.in	1,020.00
7	Ansari Steel Fabrication	H. No. 1005, Gali No. 5, Harkesh Nagar, Faridabad	ansari3186@gmail.com	2,341.00
8	Appario Retail Pvt Ltd.	Kh No. 18/21, 19/25, 34/5 Village-Jamalpur, Gurgaon		1,250.00
9	Bharat Colours & Chemicals	Plot No.-78-79,Crown Industrial Area ,Vil-Sidola ,Faridabad	bharatcolourchem@gmail.com	15,340.00
10	Bob Credit Card No.8232		crm@bobfinancial.com	29,442.49
11	Bali Enterprises	A-387,Double Storey ( Corner) Kalkaji New Delhi-110019		2,520.00
12	Bharti Airtel Ltd			941.64
13	Cleanwell House Keeping Services	1/879, Raja Garden, Sector-19, Faridabad		1,13,789.00
14	Creative Dyeing & Printing Mills Pvt Ltd	14/3, MAIN MATHURA ROAD, FARIDABAD	info@creativedyeing.com	4,65,820.00
15	Dev International	Plot No.243,Block -C ,Janakpuri ,Sahibabad,Ghaziabad	devintl777@gmail.com	20,16,453.00
16	Deepanshu Singhal	5/7, Sector-2, Rajinder Nagar, Shahibabad, Ghaziabad	deepanshu.singhal.199206@gmail.com	25,200.00
17	Din Dayal	H. No. 374, Sharmik Vihar, Sector-30 Faridabad		3,800.00
18	Fashion Forecast (India)	Plot No.36/37,Phase-1,Genesis Industrial Complex Village Kolegaon ,Palghar -401404,Maharashtra	ffpalghar@gmail.com	14,90,537.66
19	G4S Secure Solutions India Pvt Ltd	SCO-52, 2nd Floor, Sector-31, Huda Market, Faridabad	wecare@in.g4s.com	3,99,723.50
20	G.K.Tools	F.C.A.-1789,S.G.M. Nagar N.I.T. Faridabad		3,835.00
21	Goel Engineers & Traders	Shop No.148 & 101 ,Sector-15 Mkt,Faridabad	get.ajay@yahoo.com	15,606.00
22	Hansraj Bhati	14/4,Mathura Road, Faridabad	hansrajbhati04@gmail.com	48,456.00
23	International Agency	404, HAVELI HAIDER KULI, CHANDNI CHOWK,NEW DELHI		97,69,424.00
24	Jay Ambe Creation	C-30 A Ground Floor Minarva Industrial Estate ,Surat	jayambecreationdb@gmail.com	47,383.00
25	J.P.Textiles (New)	4494,Dau bazar ,cloth market,delhi-110006	ankur.mangal@hotmail.com	10,15,953.00
26	K.B Industries	475, Sector-68, Faridabad	kbindustries.in@gmail.com	6,89,292.90
27	k & K Cargo	94/95, 1ST FLOOR, SEC-23,24, FARIDABAD		191.00
28	Khanna Graphic & Print	5G-22,N.I.T. Faridabad-121001	jatin_khanna2002@yahoo.com	4,720.00
29	Krishna Murari Sharan	SHOP NO. 08, ASHOKA MAIN JHARIA MARKET,SARAI KHWAJA, FARIDABAD		900.00
30	Kwality Polythreads Pvt Ltd (GGN)	Plot No. 5, Ground Floor, Killa No. 14/8/1, Village Kadipur, Sector-10 Gurgaon	customer.care@ktl.in	36,71,765.00
31	Kumar Traders	1/D/42, N.I.T Faridabad	Bhatia.ktco@gmail.com	9,907.32
32	Madura Coats Pvt Ltd	Apeejay Global Indl. & Logis. Park, Shed No. 2,3, 23/5 Milestone, Delhi Mathura Road, Ballabgarh	Cl.Deldep@Coats.com	23,16,851.00
33	Mahavir Enterprises	KHASRA NO. 565/566/567,STREET NO. 24,LIBASPUR IND. AREA,Delhi	mahavir.enterprises07@gmail.com	1,48,790.00
34	Mohan Trading Corporation	14/3, Mathura Road, Faridabad	mukeshgupta6254@gmail.com	22,869.42
35	M.S.Electro-Mech	Shop No-1, Plot No-10, Patparganj, Near,Alcon International School, Mayur Vihar,Phase-1, Delhi	sainivinodms@gmail.com	86,140.00
36	Manimala Devi	H. No. 3032, Gali No. 1, Surya Vihar, Part-2, Sehatpur, Faridabad		12,375.00
37	Mohanbati Water Supplier	H. NO. 2+2, SEC-30, FARIDABAD		5,600.00
38	Naman Expo Fab	Plot No. 4-B, Shop No. 4, First Floor, Ashirwad Complex, Village Pitampura, Delhi	namanexpofab@yahoo.com	10,332.00
39	Neelkanth Thread House	Shop No.37 & 38 ,Ground Floor,Mathura Road,Old Faridabad-121002	dinesh197600@gmail.com	7,76,145.80
40	NSP Tech	2235, Sector-7A, Faridabad	Sukhpalsingh223507@gmail.com	12,980.00
41	Nirbr Heavy Electricals	PLOT NO. 1/895, RAJA GARDEN, OLD FARIDABAD,		4,106.00
42	Om Ayush Yarn Dyeing	90-D,Type -B Sector-31,Faridabad		3,349.00
43	Opera Lifts & Controller	KH No. 14/24, Godown Plot No. 20, Matiyala Extn. New Delhi 127-128, First Floor, Tribhuvan Complex, Ishwar Nagar, Mathura Road, New Delhi	info@operalifts.com	46,800.00
44	Pasupati Spinning & Weaving Mills Pvt L		ho@pasupatitextiles.com	9,85,839.00
45	Pearl Trade India	4/37,Geeta Colony ,Delhi-110031	pearltradeindia@gmail.com	2,97,204.00
46	Premsons Embroidery (P) Ltd	17/6,Mathura Road,Faridabad	premsns.mkt@rediffmail.com	7,45,089.00
47	Patra Power Solutions Pvt Ltd.	432, SRS TOWER, SECTOR-31	info@patrapower.com	96,256.00
48	Quality House Keeping Services	1/879, Raja Garden, Sector-19, Faridabad		1,08,789.00
49	Raghav Textiles	House No. 459, First Floor, Main Bawana Road, Prahlappur Bangar, Delhi	yogesh19sharmag@gmail.com	4,41,714.00
50	Raju Kiryana Store	Main Market, Link Road, Near Oil Mill, Old Faridabad		16,761.45
51	R.D Dutta & Co. Pvt Ltd	302, Rattan Jyoti Building, Rajender Place, New Delhi	rdd@airtelmail.in	46,052.00
52	Real Techno Energy & Gas Pvt Ltd	Unit -109 ,First Floor ,Vardhaman Mall ,Sector-19 ,Faridabad	info@realtechnoenergy.com	8,640.00
53	Rudra Impex	176,Industrial Focal Point ,Amristar	rudraimpexamristar@gmail.com	20,77,519.53
54	Renge (creditor)	Plot No. 18, DLF Ind. Area, Faridabad	info@rengco.in	2,48,452.02
55	RT Upkeep Services Pvt Ltd	601-A,Top Floor Raja House,30-31,Nehru Place New Delhi-110019		23,024.91
56	S.P Enterprises	SHOP NO-19, NEW BASELWA COLONY, OPP. SECTOR-29 ,OLD FARIDABAD.	enterprisessp82@gmail.com	2,177.70

*[Handwritten signatures and initials]*



57	S.P.Enterprises (Delhi)	Shop No. 19/B, Molarband Extn. Badarpur, New Delhi		596.40
58	Surbhi Textiles mills Pvt Ltd (Supplier)	Surbhi House,F.P. No.206 ,B/h old Sub jail surat -395002 ,Gujarat	navneet@surbhi.com	63,33,614.00
59	Shree Balaji Cocoon Industries	Shed No.31-32,Satya Estate ,Near Shreenath Estate ,Narol ,Ahmedabad ,Gujarat	pramodaggarwal.7@gmail.com	22,050.00
60	Shree Sant Krupa Trendz	117,Vidhata ind,Part-2,Surat	shreesantkrupa2020@yahoo.com	3,46,144.00
61	Shree Satguru Embroideries	Opp.Friends Filling Station Near By pass Verka Chowk Batala Road,Amristar,Punjab ,India	gagankhannakhannagagan@yahoo.com	25,62,080.00
62	Shanker Clothex (P) Ltd	3RD FLOOR, A-308, DMD LOGISTIC PARK, SAROLI,surat	info@shankerclothex.in	17,28,641.00
63	Shanti Interior Decorators	D-4/34, Mangal Bazar Road, Sangam Vihar, New Delhi	shantiinteriordelhi@gmail.com	4,804.00
64	Shanti Traders (Creditor)	16/6, MOHAN BABA MKT, MATHURA ROAD,METRO PILLAR NO. 689, OLD FARIDABAD	shantitraders11@yahoo.co.in	18,630.00
65	Shiv Traders	B12, DLF INDUSTRIAL AREA,PHASE-1 FARIDABAD	shivtrdrs2002@gmail.com	920.00
66	Standard Electric Co.	1H/16, Arya Samaj Road, N.I.T Faridabad	sales@standardelectric.co.in	270.00
67	Tex Mech Engineering Enterprises	131/20,Railway Road,Old Faridabad,Parvesh Marg ,Faridabad-121002		2,596.00
68	Thakural Electric Works	Shop No. 23, New Tikona Park, N.I.T Faridabad	thakuralelectric@gmail.com	8,727.00
69	Usha Highway Filling Station	NH-2 ,Delhi Mathura Road ,24 KM ,Mewla Maharajpur ,Fbd-121003	ushahighwayfillingstation@gmail.com	6,374.00
70	Vardhman Yarns and Threads Ltd	Mahindra Motor Complex, Near SRS Tower, 14/5, Mathura Road, Faridabad	sao.fbd@vardhmanthreads.in	99.83
71	Vasu Cocoon Industries	Shed No.34-35,Satya Estate ,Near Shreenath Estate ,Ahmedabad-382405,Gujarat	puneetjamalia@gmail.com	1,11,300.00
Total				3,97,16,345.57

For Hemla Embroidery Mills Pvt Ltd

P.S Uppal  
DIRECTOR  
DIN : 00253329

P.M.S Uppal  
Director  
DIN:00253279