

QUALIANCE INTERNATIONAL PRIVATE LIMITED

AUDITOR'S REPORT

F.Y. 2023-24

MEHTA DOSHI & ASSOCIATES

CHARTERED ACCOUNTANTS

601, Ashok Heights, 6th Floor
Gundavali, Old Nagardas Cross Road
Near Bhuta School, Andheri (E)
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INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
Qualiance International Private Limited

Opinion

I have audited the accompanying Financial Statements of **Qualiance International Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss account, the Cash Flow Statement for the year then ended and a Summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its Loss and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the Financial Statements under the provisions of the Companies Act, 2013 and the rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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



Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and my auditor's report thereon.

My opinion on the Financial Statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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, I am also responsible for expressing my opinion on whether the Company has an 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, I have enclosed in the annexure a statement on matters specified in paragraph 3 & 4 of the said order.
2. As required by Section 143 (3) of the Act, I report that:
 - a. I have sought and obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.
 - b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss account and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - d. In my opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards prescribed 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 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. Since the Company's turnover as per last audited Financial Statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
 - g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, I report that Section 197 is not applicable to a Private Company. Hence reporting as per Section 197(16) is not required.
 - 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 my opinion and to the best of my information and according to the explanations given to me:
 - i. As informed to me, the Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



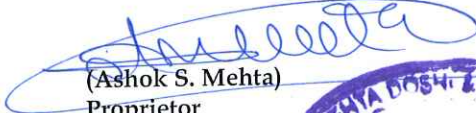
b. The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

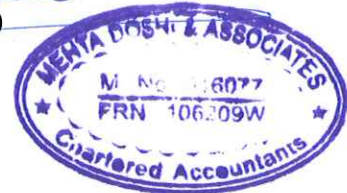
c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule-11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Company.

For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN - 24016077BKBORR8519

Place : Mumbai
Date : July 11, 2024


(Ashok S. Mehta)
Proprietor
M. No. 016077



MEHTA DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

REPORT ON THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020

(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF MY REPORT OF EVEN DATE)

In terms of the information and explanations sought by me and given by the Company and the books and records examined by me in the normal course of audit and to the best of my knowledge and belief, I state that: -

- I. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company does not have any Intangible Assets. Accordingly, clause 3(I)(a)(B) of the Order is not applicable to the Company.
- (b) As explained to me, all Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in my opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.
- (c) The title deeds of all immoveable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.



- (d) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. The revaluation is based on the valuation by a Registered Valuer. The amount of change in net carrying value of Property, Plant and Equipment where change is more than 10% is as under:

Description of property	Gross carrying value before Revaluation	Revaluated Value (in Rs.)	Amount of change	% change in value	Remark
Tirupur land and building	6,49,85,000	9,90,86,055	3,41,01,055	52.48%	Valuation as per report dated 04/03/2024
Commercial Premises 405, 406, 407-B Knox	3,40,56,000	3,87,38,700	46,82,700	13.75%	Valuation as per report dated 29/02/2024
Commercial Premises 206-B Knox	1,27,44,000	1,44,96,300	17,52,300	13.75%	Valuation as per report dated 29/02/2024

- (e) No proceedings have been initiated nor are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- II. (a) As explained to me, the inventory has been physically verified at reasonable intervals during the year by the management. In my opinion, the coverage and procedure of verification is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification between the physical stocks and the book records.
- (b) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- III. As explained to me, the Company had not made any investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or any other parties. Accordingly, provisions of clause 3(III)(a), 3(III)(b), 3(III)(c), 3(III)(d), 3(III)(e) and 3(III)(f) of the Order are not applicable to the Company.
- IV. According to the information and explanations given to me, the Company has not given any loans, investments guarantees, or security where provision of Section 185 and 186 of the Companies Act, 2013 are to be complied with.



- V. In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits which are deemed to be deposits, covered under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable. According to the information and explanations given to me, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, in this regard.
- VI. As per information & explanation given by the management, maintenance of cost records has not been prescribed under section 148(1) of the Act.
- VII. a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company is generally regular in depositing, with appropriate authorities, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.

According to the information and explanations given to me, no undisputed amounts payable in respect of Goods and Services Tax, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears, as at 31st March 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to me, there are no dues of Goods & Services Tax (GST), Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute, except following:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is pending	Remarks, if Any
GST	Tax	15,06,960	F.Y. 17-18	The Assistant Commissioner (ST) (FAC)	Appeal filed (10% of disputed tax amount Rs. 1,50,696 deposited)
GST	Interest	18,48,976	F.Y. 17-18	The Assistant Commissioner (ST) (FAC)	Appeal filed
GST	Penalty	15,06,960	F.Y. 17-18	The Assistant Commissioner (ST) (FAC)	Appeal filed
GST	Tax	10,88,545	F.Y. 18-19	The Assistant Commissioner (ST) (FAC)	Appeal filed (10% of disputed tax amount Rs. 1,08,855 deposited)
GST	Interest	10,76,571	F.Y. 18-19	The Assistant Commissioner (ST) (FAC)	Appeal filed



GST	Penalty	10,90,795	F.Y. 18-19	The Commissioner (FAC)	Assistant (ST)	Appeal filed
GST	Tax	9,01,764	F.Y. 19-20	The Commissioner (FAC)	Assistant (ST)	Appeal filed (10% of disputed tax amount Rs.90,178 deposited)
GST	Interest	6,77,385	F.Y. 19-20	The Commissioner (FAC)	Assistant (ST)	Appeal filed
GST	Penalty	9,08,104	F.Y. 19-20	The Commissioner (FAC)	Assistant (ST)	Appeal filed
GST	Tax	32,59,385	F.Y. 20-21	The Commissioner (FAC)	Assistant (ST)	Appeal filed (10% of disputed tax amount Rs. 3,25,941 deposited)
GST	Interest	16,06,673	F.Y. 20-21	The Commissioner (FAC)	Assistant (ST)	Appeal filed
GST	Penalty	33,10,503	F.Y. 20-21	The Commissioner (FAC)	Assistant (ST)	Appeal filed
GST	Tax	11,06,374	F.Y. 21-22	The Commissioner (FAC)	Assistant (ST)	Appeal filed (10% of disputed tax amount Rs. 1,10,636 deposited)
GST	Interest	2,95,356	F.Y. 21-22	The Commissioner (FAC)	Assistant (ST)	NA
GST	Penalty	11,06,374	F.Y. 21-22	The Commissioner (FAC)	Assistant (ST)	NA
Total Rs.		2,12,90,725				

VIII. According to the information and explanations given to me, no transactions not recorded in the Books of Accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- IX. (a) Based on my audit procedures and according to the information and explanations given to me, I am of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to me, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to me, no funds raised on short term basis have been utilized for long term purposes.
- (e) According to the information and explanations given to me, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(IX)(e) is not applicable.
- (f) According to the information and explanations given to me, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(IX)(f) is not applicable.
- X. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, clause 3(X)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, clause 3(X)(b) of the Order is not applicable.
- XI. (a) Based upon the audit procedures performed and according to the information and explanations given to me, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) According to the information and explanations given to me, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to me, no whistle-blower complaints were received during the year by the Company.
- XII. The Company is not a Nidhi Company. Accordingly, clause 3(XII)(a), 3(XII)(b) and 3(XII)(c) of the Order are not applicable.



- XIII. Based upon the audit procedures performed and according to the information and explanations given to me, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- XIV. According to the information and explanations given to me, the Company has no internal audit system. Accordingly, clause 3(XIV)(a), of the Order is not applicable.
- XV. In my opinion and according to the information and explanations given to me, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI. (a) In my Opinion and based on my examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(XVI)(a) of the Order is not applicable.
- (b) In my Opinion and based on my examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(XVI)(b) of the Order is not applicable.
- (c) In my Opinion and based on my examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(XVI)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- XVII. According to the information and explanations given to me, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- XVIII. There has not been any resignation of Statutory Auditors during the year. Hence, provisions of clause 3(XVIII) of the Order is not applicable.
- XIX. According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



XX. The provisions of Section 135 towards Corporate Social Responsibility are not applicable to the Company. Accordingly, clauses 3(XX)(a) and 3(XX)(b) of the Order are not applicable.

XXI. This report is being in respect of Standalone Financial Statements. Hence, provisions of clause 3(xxi) of the Order are not applicable.

For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN - 24016077BKBORR8519

Place : Mumbai
Date : July 11, 2024


(Ashok S. Mehta)
Proprietor
M. No. 016077



Qualiance International Private Limited
Notes Forming Part of Financial Statements

Note 23 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

Qualiance International Private Limited ("The Company") is a Private Limited Company incorporated in India on August 24, 2006 and registered under the Companies Act, 2013 having its Registered Office at **B-406, Knox Plaza, Mindspace, Next to Tangent Showroom, Malad (W), Mumbai - 400 064**. The Company is a manufacturer and exporter of garments.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. The Financial Statements of the Company have been prepared to comply with the Accounting Standards, including the rules notified under the relevant provisions of the Companies Act, 2013.

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

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

2.2 System of Accounting

- A. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- B. Financial Statements are prepared under the historical cost convention.
- C. The Accounting policies adopted in the preparation of financial statement are consistence with those followed in the previous year.
- D. The preparation of Financial Statements, in conformation with Indian GAAP, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable.



2.3 Revenue Recognition

A) Sale of Goods

Sales are recognized on transfer of significant risk and rewards of ownership to the buyer, which is generally on the dispatch of goods and are recognized net of discounts, rebates, and net of returns, which generally coincides with the delivery of goods to the customers. Sales are recognized as when goods are supplied to stockiest and are recorded net of taxes.

B) Income from Services

Revenue from service contracts are recognized pro-rata over the period of the contract as and when services are rendered.

C) Other Income

Interest income is accounted on accrual basis.

2.4 Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Any Foreign Exchange Difference during the payment is recorded in Profit & Loss Account.

(ii) Non-monetary foreign currency items are carried at cost.

2.5 Fixed Assets

A) Tangible Assets

Tangible assets including investment properties, are carried at cost of acquisition less accumulated depreciation. During the year under consideration, assets classified under the head 'Buildings' and 'Factory Building' have been revalued as per Valuation report by approved valuer.

B) Depreciation

Depreciation is provided on a pro rata basis over the useful life of the assets in the manner prescribed by schedule II of the Companies Act, 2013 on written down value basis.

Depreciation on revalued assets has been charged to Revaluation Surplus.

Useful life of Assets has been taken as prescribed in schedule II part C of the Act.

2.6 Investments

There are not long term investments.

2.7 Inventory

Inventories have been valued at lower of cost and market value.



2.8 Employee Benefits

- (i) Short Term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (ii) The Company has not provided any Post employment and other long-term employee benefits; hence, the question of further reporting does not arise.
- (iii) The Company has paid the Bonus to its employees as per the provisions of the Bonus Act and it has deducted and made the payments of PF & ESIC as per the provisions of Provident Fund Act and ESIC Act.

2.9 Earnings per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

2.10 Goods & Services Tax

GST is charged as and when supplies are made and accounted on the preparation of Invoice.

2.11 Provision for Current and Deferred Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing difference, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or subsequently enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for the timing differences of items other than unabsorbed depreciation and carry forwarded losses only to the extent that reasonable certainty exist that sufficient future taxable income will be available against which this can be realized. However, if there are unabsorbed depreciation and losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes or income levied by the same governing tax laws and the Company has a legally enforceable right to such setoff. Deferred tax assets are reviewed at each balance sheet date for their realizability.

2.12 Provisions, Contingent Liabilities and Contingent Assets

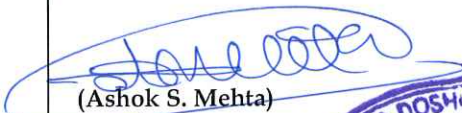
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the Financial Statements.



2.1 Previous Year's figures

The figures for the previous period have been restated, regrouped and reclassified wherever required, to comply with the requirements of AS and Schedule III.

As per my report of even date attached
For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN - 24016077BKBORR8519

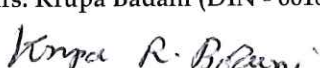

(Ashok S. Mehta)
Proprietor
M. No. 016077

Place : Mumbai
Date : July 11, 2024



For and on behalf of the Board of Directors


Mr. Vipul Badani (DIN - 00773202)


Mrs. Krupa Badani (DIN - 00186785)

Directors

Qualiance International Private Limited
Balance Sheet as at 31st March, 2024

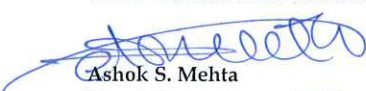
(₹ in Hundred)

Particulars	Note No	31st March, 2024	31st March, 2023
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	9,90,000	1,50,000
(b) Reserves and Surplus	2	6,28,997	(1,14,387)
(c) Money received against Share Warrants		-	-
		16,18,997	35,613
Share Application Money pending allotment		-	-
Non-Current Liabilities			
(a) Long Term Borrowings	3	19,16,718	27,60,207
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
		19,16,718	27,60,207
Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables		-	-
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small	4	1,56,804	1,67,889
(c) Other Current Liabilities	5	39,582	63,337
(d) Short Term Provisions	6	60,637	20,213
		2,57,023	2,51,438
TOTAL		37,92,739	30,47,257
ASSETS			
Non Current Assets			
(a) PPE and Intangible Assets			
(1) Property, Plant & Equipment (PPE)	7	14,56,541	11,19,325
(2) Intangible Assets		-	-
(3) Capital Work-in-progress		-	-
(4) Intangible Assets under development		-	-
		14,56,541	11,19,325
(b) Non Current Investments		-	-
(c) Deferred Tax Assets (Net)		17,998	18,388
(d) Long Term Loans and Advances	8	12,829	17,009
(e) Other Non Current Assets		-	-
		14,87,368	11,54,722
Current Assets			
(a) Current Investments		-	-
(b) Inventories	15	13,39,038	12,12,395
(c) Trade Receivables	9	3,60,178	4,13,969
(d) Cash and Cash Equivalents	10	1,76,571	76,333
(e) Short Term Loans and Advances	11	2,87,514	90,763
(f) Other Current Assets	12	1,42,068	99,076
		23,05,370	18,92,535
TOTAL		37,92,739	30,47,257

See accompanying notes to the financial statements

23

As per my Report of even date attached
For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN- 24016077BKBORR8519


Ashok S. Mehta
Proprietor
M. No. 016077

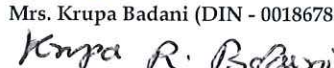
Place : Mumbai
Dated: July 11, 2024



For and on behalf of the Board of Directors

Mr. Vipul Badani (DIN - 00773202)

Mrs. Krupa Badani (DIN - 00186785)


Krupa R. Badani
Directors

Qualiance International Private Limited
Statement of Profit and Loss for the year ended 31st March, 2024

(₹ in Hundred)

Particulars	Note No.	31st March, 2024	31st March, 2023
Revenue from Operations	13	37,25,132	35,45,308
Other Income	14	1,38,422	1,70,925
Total Income		38,63,554	37,16,232
Expenses			
Cost of Materials consumed		17,38,451	18,48,898
Purchases of Stock in Trade		-	-
Changes in Inventories of finished goods, Work in progress and Stock-in-Trade	15	(1,26,644)	34,204
Employee Benefits Expense	16	10,13,122	8,49,893
Finance Costs	17	1,88,415	1,79,584
Depreciation and amortization expense	7	86,912	95,622
Other Expenses	18	5,91,802	5,57,239
Total Expenses		34,92,058	35,65,440
Profit/ Loss before exceptional and extraordinary items and tax		3,71,496	1,50,792
Exceptional Items		-	-
Profit/ Loss before extraordinary items and tax		3,71,496	1,50,792
Extraordinary Items		-	-
Profit/ Loss before tax		3,71,496	1,50,792
Tax Expense			
Current Tax		-	-
Deferred Tax		390	(136)
Profit for the Year		3,71,106	1,50,929
Earnings per equity share of face value of Rs. 10 each			
Basic (in ₹)		3.75	10.06
Diluted (in ₹)		3.75	10.06

See accompanying notes to the financial statements

23

As per my Report of even date attached
For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN- 24016077BKBORR8519

Ashok S. Mehta
Proprietor
M. No. 016077

Place : Mumbai
Dated: July 11, 2024



For and on behalf of the Board of Directors

Mr. Vipul Badani (DIN - 00773202)

Mrs. Krupa Badani (DIN - 00186785)

Krupa R. Badani
Directors

Qualiance International Private Limited
Cash Flow Statement for the year ended 31st March, 2024

(₹ in Hundred)

PARTICULARS	31-03-2024	31-03-2023
A Cash flows from operating activities		
Profit before taxation	3,71,496	1,50,792
<i>Adjusted for:</i>		
Depreciation	86,912	95,622
Income taxes paid	-	-
Interest Income	(1,643)	(20,892)
Finance Charges	1,88,415	1,79,584
Operating profit before working capital changes (Sub-total)	6,45,180	4,05,106
<i>Working capital changes:</i>		
Increase/ (Decrease) in Trade Payables	(11,085)	(55,000)
Increase/ (Decrease) in Other Long Term & Current Liabilities	(23,754)	(1,56,586)
Increase/ (Decrease) in Long Term & Short Term Provisions	40,424	8,065
(Increase)/ Decrease in Inventories	(1,26,644)	34,204
(Increase)/ Decrease in Trade Receivables	53,791	(2,07,896)
(Increase)/ Decrease in Other Current & Non Current Assets	(42,992)	(27,385)
Cash generated from operations	5,34,919	506
Income taxes paid	610	(1,292)
Net cash used in operating activities (Total- A)	5,35,529	(786)
B Cash flows from investing activities		
(Increase)/ Decrease in Long Term & Short Term Loans	(1,93,181)	1,16,973
Acquisition/ Sale of Fixed Assets	(51,849)	(10,814)
Interest Income	1,643	20,892
Net cash used in investing activities (Total -B)	(2,43,387)	1,27,052
C Cash flows from financing activities		
Proceeds from/ (Repayment of) Long-term & Short Term borrowings	(8,43,488)	1,11,408
Finance Charges	(1,88,415)	(1,79,584)
Net cash flow from financing activities (Total - C)	(1,91,904)	(68,175)
Net change in cash and cash equivalents (A+B+C)	1,00,238	58,091
Cash and cash equivalents at beginning of the year	76,333	18,242
Cash and cash equivalents at end of the year	1,76,571	76,333

As per my Report of even date attached
For Mehta Doshi & Associates
Chartered Accountants
FRN: 106209W
UDIN- 24016077BKBORR8519

Ashok S. Mehta
Proprietor
M. No. 016077

Place : Mumbai
Dated: July 11, 2024



For and on behalf of the Board of

Mr. Vipul Badani (DIN - 00773202)

Mrs. Krupa Badani (DIN - 00186785)

Krupa R. Badani
Directors



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 1 - SHARE CAPITAL		
PARTICULARS	31-03-2024	31-03-2023
Authorised Capital		
99,00,000 Equity Shares of Rs. 10/- Each	9,90,000	1,50,000
Issued, Subscribed & Paid up		
99,00,000 Equity Shares of Rs. 10/- Each	9,90,000	1,50,000
TOTAL	9,90,000	1,50,000

Reconciliation of the number of shares outstanding and amount of share capital

PARTICULARS	31-03-2024	31-03-2023
	No. of Shares	No. of Shares
Equity Shares at the beginning of the Year	15,00,000	15,00,000
Add : Shares Issued	84,00,000	-
Equity Shares at the end of the Year	99,00,000	15,00,000

Details of Shares held by each shareholders holding more than 5% shares

PARTICULARS	31-03-2024		31-03-2023	
	No. of Shares	% Held	No. of Shares	% Held
Vipul J. Badani	5940000	60.00%	900000	60.00%
Krupa R. Badani	3960000	40.00%	600000	40.00%

Shareholding of Promoters

Current Reporting Period			
Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of Shares	% of Total Shares	
Vipul J. Badani	5940000	60.00%	560.00%
Krupa R. Badani	3960000	40.00%	560.00%

Previous Reporting Period			
Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of Shares	% of Total Shares	
Vipul J. Badani	900000	60.00%	0.00%
Krupa R. Badani	600000	40.00%	0.00%



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 2 - RESERVES AND SURPLUS		
PARTICULARS	31-03-2024	31-03-2023
Surplus		
Opening Balance	(5,41,938)	(6,92,867)
Add : Profit/(Loss) for the year after tax	3,71,106	1,50,929
	(1,70,832)	(5,41,938)
Revaluation Surplus		
Opening Balance	4,27,551	-
Add : Additions during the year	4,07,211	4,27,551
Less : Depreciation	(34,932)	-
	7,99,829	4,27,551
TOTAL	6,28,997	(1,14,387)

(₹ in Hundred)

Note 3 - LONG TERM BORROWINGS		
PARTICULARS	31-03-2024	31-03-2023
Secured Loans From Banks & FIs	13,61,538	11,84,413
<u>Unsecured Loans</u>		
From Bank & FIs	4,22,295	3,74,683
From Directors	1,32,885	5,55,180
TOTAL	19,16,718	27,60,207

(₹ in Hundred)

Note 4 - TRADE PAYABLES		
PARTICULARS	31-03-2024	31-03-2023
Outstanding Dues of micro enterprises & small enterprises		
Outstanding Dues of creditors other than micro enterprises & small enterprises	1,56,804	1,67,889
TOTAL	1,56,804	1,67,889

(₹ in Hundred)

Note 5 - OTHER CURRENT LIABILITIES		
PARTICULARS	31-03-2024	31-03-2023
Advance from Customers	39,582	63,337
TOTAL	39,582	63,337



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 6 - SHORT TERM PROVISIONS		
PARTICULARS	31-03-2024	31-03-2023
Income Tax	-	-
Opening Balance	-	-
Less : Paid during the year	-	-
Add : Income Tax Provision for the Year	-	-
Less : Transfer from/ to TDS & Advance Tax A/c	-	-
ESIC Payable	840	603
PF Payable	4,642	3,365
Professional Tax Payable	26	361
Salary Payable	15,802	4,833
TDS Payable	7,718	11,051
Wages Payable	31,609	-
TOTAL	60,637	20,213



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 7 - PPE AND INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-04-2023	Additions (*)	Deletions	As at 31-03-2024	As at 01-04-2023	For the period	Deletions	As at 31-03-2024	As at 31-03-2024	As at 31-03-2023
Buildings	5,26,900	66,200	-	5,93,100	63,395	24,037	-	87,432	5,05,668	4,63,505
Factory Building	6,49,850	3,41,011	-	9,90,861	2,44,124	43,881	-	2,88,005	7,02,856	4,05,726
Furniture & Fixtures	1,44,393	5,100	-	1,49,494	1,13,346	8,326	-	1,21,672	27,822	31,047
Plant & Equipment	5,27,041	43,073	-	5,70,114	3,31,006	38,845	-	3,69,851	2,00,263	1,96,035
Motor Vehicles	67,425	-	23,453	43,971	57,399	1,743	20,749	38,393	5,579	10,025
Office Equipment	58,064	2,266	-	60,330	50,593	2,071	-	52,665	7,665	7,471
Computers	46,192	4,114	-	50,306	40,676	2,941	-	43,617	6,689	5,516
Total	20,19,864	4,61,764	23,453	24,58,175	9,00,539	1,21,844	20,749	10,01,634	14,56,541	11,19,325
Previous Year	15,81,499	4,38,365	-	20,19,864	8,04,917	95,622	-	9,00,539	11,19,325	7,76,582

(*) Note: Out of total additions of Rs. 4,61,764/- for F.Y. 2023-24, entire additions in 'Buildings' of Rs. 66,200/- & 'Factory Building' of Rs. 3,41,011/- are on account of revaluation of said assets, as per reports dated 28th February, 2024, obtained from approved valuers. The Company has created a Revaluation Surplus for upward revaluation of said assets. Further, out of total depreciation of Rs. 1,21,844/- for F.Y. 2023-24, depreciation of Rs. 34,932/- corresponds to depreciation on upward revaluation and accordingly, the same has been adjusted against Revaluation Surplus and balance depreciation of Rs. 86,912/- has been shown in P&L Account.

Out of total additions of Rs. 4,38,365/- for F.Y. 2022-23, Rs. 4,27,551/- is on account of revaluation of 'Buildings' and 'Factory Building', as per revaluation reports dated 29th March, 2023 and 31st March, 2023, obtained from approved valuers. The Company has created a Revaluation Surplus for upward



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 8 - LONG TERM LOANS AND ADVANCES		
PARTICULARS	31-03-2024	31-03-2023
Akhil Traders	1,750	1,750
Deposits	9,844	14,024
Sailesh Engg. Works Pvt. Ltd.	1,000	1,000
Winsel & Co	235	235
TOTAL	12,829	17,009

(₹ in Hundred)

Note 9 - TRADE RECEIVABLES		
PARTICULARS	31-03-2024	31-03-2023
Sundry Debtors (Unsecured, considered good)	3,60,178	4,13,969
TOTAL	3,60,178	4,13,969

(₹ in Hundred)

Note 10 - CASH AND CASH EQUIVALENTS		
PARTICULARS	31-03-2024	31-03-2023
Cash on hand	5,850	5,426
Bank Balances	-	-
Current A/C	1,60,285	53,947
Fixed Deposits with Bank	10,436	16,961
TOTAL	1,76,571	76,333

(₹ in Hundred)

Note 11 - SHORT TERM LOANS AND ADVANCES		
PARTICULARS	31-03-2024	31-03-2023
Advance Tax, TDS & TCS	-	-
Opening Balance	3,907	2,615
Add : Paid during the Year	-	-
	3,907	2,615
Less : Income Tax Refund	(1,894)	(583)
	2,013	2,031
Add : TDS for the Year	1,241	1,863
	3,254	3,894
Add : TCS for the Year	43	13
	3,297	3,907
Less : Transferred to/ from Income Tax A/c	3,297	3,907
Advance to Staff	39,387	41,992
Advances Against Goods	2,40,002	41,872
Prepaid Expenses	4,828	2,993
TOTAL	2,87,514	90,763



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 12 - OTHER CURRENT ASSETS		
PARTICULARS	31-03-2024	31-03-2023
Aditya Birla (TDS Reimbursement)	467	349
Bajaj Fiannace (TDS Reimbursement)	83	237
Duty Drawback Receivable (Air)	116	1,346
Duty Drawback Receivable (Sea)	874	12,104
ECL Wallet	750	-
Fed Bank (TDS Reimbursement)	144	-
Fullerton Bank (Reimbursement)	113	357
GST Receivable	1,36,567	81,773
L&T Finance (TDS Reimbursment)	59	184
MVAT Receivable	2,509	2,509
TATA Capital (TDS Reimbursement)	204	218
Urgo Capital (TDS Reimbursement)	183	-
TOTAL	1,42,068	99,076



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 4 - TRADE PAYABLES AGEING SCHEDULE						
Figures for Current Reporting Period						
PARTICULARS	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	1,56,804	-	-	-	1,56,804
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
TOTAL	-	1,56,804	-	-	-	1,56,804

(₹ in Hundred)

Figures for Previous Reporting Period						
PARTICULARS	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	1,67,889	-	-	-	1,67,889
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
TOTAL	-	1,67,889	-	-	-	1,67,889

(₹ in Hundred)

Note 9 - TRADE RECEIVABLES AGEING SCHEDULE							
Figures for Current Reporting Period							
PARTICULARS	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables	-	-	-	-	-	-	-
Considered Good	-	3,60,112	66	-	-	-	3,60,178
Considered Doubtful	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
Considered Good	-	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-	-
TOTAL	-	3,60,112	66	-	-	-	3,60,178

(₹ in Hundred)

Figures for Previous Reporting Period							
PARTICULARS	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables	-	-	-	-	-	-	-
Considered Good	-	4,13,483	-	236	-	249	4,13,969
Considered Doubtful	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
Considered Good	-	-	-	-	-	-	-
Considered Doubtful	-	-	-	-	-	-	-
TOTAL	-	4,13,483	-	236	-	249	4,13,969



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 13 - REVENUE FROM OPERATIONS				
PARTICULARS	31-03-2024		31-03-2023	
Exports	32,40,563		33,25,151	
Job Work	607		1,102	
Sales	4,52,743	36,93,913	1,75,254	35,01,507
Sale of License		18,722		23,350
Duty Drawback - Air	5,496		6,096	
Duty Drawback - Sea	7,001	12,497	14,355	20,450
TOTAL		37,25,132		35,45,308

(₹ in Hundred)

Note 14 - OTHER INCOME				
PARTICULARS	31-03-2024		31-03-2023	
<u>Interest Income</u>		-		-
Bank FDR Interest	1,064		710	
Interest from Premium Account	503		347	
Interest on IT Refund	76		-	
Interest Subvention Received From BoB	-	1,643	19,835	20,892
Foreign Exchange Rate Difference		93,407		62,840
Other Income		39,322		84,188
Profit on Sale of Car	-	-	-	-
Rebate & Discount		110		3,004
Sample Development Charges		3,940		-
TOTAL		1,38,422		1,70,925

(₹ in Hundred)

Note 15 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE				
PARTICULARS	31-03-2024		31-03-2023	
Stock at the End	13,39,038	Nil	12,12,395	Nil
Work in Progress at the End	Nil	13,39,038	Nil	12,12,395
Stock at the Beginning	12,12,395	Nil	12,46,598	Nil
Work in Progress at the Beginning	Nil	12,12,395	Nil	12,46,598
TOTAL		(1,26,644)		34,204

(₹ in Hundred)

Note 16 - EMPLOYEE BENEFITS EXPENSE		
PARTICULARS	31-03-2024	31-03-2023
Directors Remuneration	36,000	36,000
ESIC	8,506	6,328
Mediclaime for Staff	-	2,354
PF Admin Charges	1,302	852
Provident Fund	29,420	21,293
Salary	97,229	90,300
Staff Welfare Expenses	14,247	13,477
Wages	8,26,418	6,79,289
TOTAL	10,13,122	8,49,893



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Note 17 - FINANCE COSTS			
PARTICULARS	31-03-2024		31-03-2023
Bank Charges		35,943	29,154
To Bank, FI	1,46,192		1,45,582
To Related Parties		-	-
To Others		1,46,192	1,45,582
Loan Processing Charges		6,280	4,848
TOTAL		1,88,415	1,79,584

(₹ in Hundred)

Note 18 - OTHER EXPENSES			
PARTICULARS	31-03-2024		31-03-2023
Advertising Charges		40,266	90,775
Audit Fees	900		926
Audit Fees - Foreign	-	900	2,743
Commission		304	775
Conveyance		84	224
Donation		2,050	-
Electricity Charges		34,200	23,990
Insurance		5,363	3,562
Legal & Professional Fees	38,326		28,341
Legal & Professional Fees - Foreign	45,624	83,950	6,835
Rent Paid		17,980	17,520
Repairs & Maintenance		38,388	35,244
Sales Promotion		2,712	-
Telephone & Mobile Expenses		3,723	3,932
Transportation & Freight		70,698	72,990
Local Travelling Expenses	15,241		17,178
Foreign Travelling Expenses	675	15,916	7,433
Books & Subscription		254	301
Certification Charges		3,296	5,652
Computer Expenses		2,835	4,723
Delivery Charges	-	-	-
Factory Expenses		7,660	5,963
Forwarding & Clearing Charges		1,35,799	1,15,277
General Expenses		8,482	7,080
Interest & Late Fees		4,793	1,786
Job Work		2,890	-
License Fees		725	1,129
O/s Duty Drawback (Air) w/o		1,270	-
O/s Duty Drawback (Sea) w/o		11,825	-
Office Expenses		3,343	2,375
Packing Expenses		34,030	32,673
Postage & Courier Expenses		32,573	46,678
Printing & Stationery		8,231	10,514
Property Tax		4,967	4,204
Rent on Machinery		2,338	4,123
ROC Charges		8,850	27
Washing Charges		177	1,242
Xerox Expenses		931	1,027
TOTAL		5,91,802	5,57,239



Qualiance International Private Limited
Notes Forming Part of Financial Statements

Note 19 - OTHER REGULATORY INFORMATION

(i) All Title Deeds of Immovable Property are held in the name of the Company.

(ii) The Company has revalued certain Property, Plant and Equipment during the year, as per valuation reports.

(iii) Details of Loans or Advances in the nature of Loans granted to promoters, Directors, KMPs and related parties that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage of total Loans and Advances in the nature of loans
Promoters	-	0%
Directors	-	0%
KMPs	-	0%
Related Parties	-	0%

(iv) The Company does not have any Capital-Work-in-Progress during the year.

(v) The Company does not have any Intangible assets under development.

(vi) No proceedings have been initiated, or are pending, against the Company for holding Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(vii) The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets.

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution.

(ix) The Company has not entered into any transaction with companies struck off under Section 248 of Companies Act, 2013.

(x) There are no charges or stasifaction yet to be registered with Registrar of Companies beyond the statutory period.

(xi) The Company does not own any Subsidiaries. Hence the question of Complying with Section 2(87) of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 does not arise.



Qualiance International Private Limited
Notes Forming Part of Financial Statements

Note 19 - OTHER REGULATORY INFORMATION

(xii) Disclosure of Ratios

Sr. No.	Ratios	Numerator	Denominator	Current Period	Previous period	% of Change
1	Current Ratio	Current Assets	Current Liabilities	8.97	7.53	19.12
2	Debt Equity Ratio	Long Term Debt + Short Term Debt	Shareholder's Equity	1.18	77.51	(98.48)
3	Debt Service coverage ratio	Earnings available for debt service	Debt Service (Int+Principal)	.72	.69	4.35
4	Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	22.92%	423.81%	(94.59)
5	Inventory Turnover Ratio	COGS	Average	1.26 Times	1.53 Times	(17.65)
6	Trade Receivables turnover ratio	Net Revenue from Operations	Average trade receivables	9.62	11.44	(15.91)
7	Trade payables turnover ratio	Total Purchases	Closing Trade Payables	13.97	12.03	16.13
8	Net capital turnover ratio	Revenue	Working capital (CA-CL)	1.82	2.16	(15.74)
9	Net profit ratio	Net Profit	Net Revenue from Operations	9.96%	4.26%	133.80
10	Return on Capital employed	Earnings before Interest and Tax	Capital Employed	31.98%	832.22%	(96.16)
11	Return on investment	Income generated from investments	Average Investment	0.00%	0.00%	-

(xiii) The Company does not have any Scheme of Arrangements approved by Competent Authority in terms of sections 230 to 237 of Companies Act, 2013.

(xiv) Utilisation of Borrowed funds and share premium:

- (A) The Company has neither advanced nor loaned nor invested funds (neither borrowed funds nor share premium nor any other source/ kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- 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



Qualiance International Private Limited
Notes Forming Part of Financial Statements

Note 20 - OTHER INFORMATION

Additional Information provided below is as completed and certified by the director

- (a) All Expenses in foreign currency are recognised in Statement of Profit and Loss Account
- (b) Earnings in foreign exchanges during the year is recognised in Statement of P & L Account
- (c) Value of Imports calculated on CIF basis during the year is recognised in Statement of P & L Account
- (d) Non resident shareholders : Not Applicable
- (e) As per the information available with the Company, no amount is outstanding to small scale Industrial Unit.
- (f) Name(s) of small scale industrial undertaking(s) to whom the Company owes any sum together with interest outstanding for more than thirty days : Not Applicable

Note 21 - DISCLOSURE IN ACCORDANCE WITH SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 :

Particulars	Amount
(a) Principal amount remaining unpaid and interest dues thereon	NIL
(b) Interest paid in terms of section 16	NIL
(c) Interest due and payable for the period of delay in payments	NIL
(d) Interest accrued and remaining unpaid	NIL
(e) Interest due and payable even in succeeding years	NIL

Note 22 - RELATED PARTY DISCLOSURES

Names of related parties & description of relationship

Description of relationship	Name of related parties
Key Management Personnel	Vipul J. Badani, Krupa R. Badani
Relatives of KMP	Bhoomin R. Badani, Dhriti V. Badani, Pratiksha V. Badani Rajesh J. Badani, Sneha B. Badani
Entities in which KMP/ relatives of KMP can exercise significant influence	Silvertraq International Private Limited

Note : Related parties have been identified by the Management.



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Details of related party transactions during the year & balances outstanding at the end of period						
Particulars	Holding Company	Subsidiaries/ Fellow Subsidiaries	Associates	KMP/ Relatives of KMP	Entities in which KMP/ relatives of KMP can exercise significant influence	Total
Transactions during the year						
1 Directors' Remuneration	-	-	-	36,000 (36,000)	-	36,000 (36,000)
2 Salaries	-	-	-	48,000 (48,000)	-	48,000 (48,000)
3 Other Income	-	-	-	-	39,322 (84,199)	39,322 (84,199)
4 Net loans repaid	-	-	-	10,71,771 (77,987)	-	10,71,771 (77,987)
5 Sales	-	-	-	-	2,25,656 (1,60,902)	2,25,656 (1,60,902)
Balances at the end of the year						
1 Loans & Borrowings	-	-	-	1,29,339 (12,01,110)	-	1,29,339 (12,01,110)
2 Trade Receivables	-	-	-	-	46,318 (1,14,941)	46,318 (1,14,941)
3 Provisions	-	-	-	4,336 (4,833)	-	4,336 (4,833)



Qualiance International Private Limited
Notes Forming Part of Financial Statements

(₹ in Hundred)

Disclosure in respect of major related party transactions during the year			
Particulars	Relationship	2023-24	2022-23
1 Directors' Remuneration		-	-
Krupa R. Badani	KMP	12,000	(12,000)
Vipul J. Badani	KMP	24,000	(24,000)
2 Salaries			
Bhoomin R. Badani	Relative of KMP	12,000	(12,000)
Pratiksha V. Badani	Relative of KMP	12,000	(12,000)
Rajesh J. Badani	Relative of KMP	12,000	(12,000)
Sneha B. Badani	Relative of KMP	12,000	(12,000)
3 Other Income			
Silvertraq International Private Limited	Entities in which KMP/ relatives of KMP can exercise significant influence	39,322	(84,199)
4 Net loans repaid			
Krupa R. Badani	KMP	2,45,942	(54,517)
Vipul J. Badani	KMP	8,25,829	(23,471)
5 Sales			
Silvertraq International Private Limited	Entities in which KMP/ relatives of KMP can exercise significant influence	2,25,656	(1,60,902)
		-	-

As per my Report of even date attached
For MEHTA DOSHI & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 106209W
UDIN- 24016077BKBORR8519

ASHOK S. MEHTA
PROPRIETOR
M. No. 016077

PLACE: MUMBAI
Dated: July 11, 2024



For and on behalf of the Board of Directors

Mr. Vipul Badani (DIN - 00773202)

Mrs. Krupa Badani (DIN - 00186785)

Directors

(Signature of Vipul Badani)
(Signature of Krupa R. Badani)