

Ankit International

Balance Sheet as at 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

	Note No.	As at 31 March 2019	As at 31 March 2018
A. CONTRIBUTION AND LIABILITIES			
1. Partner's capital			
a. Partners' capital	2	5,848.79	3,361.42
		<u>5,848.79</u>	<u>3,361.42</u>
2. Non-current liabilities			
a. Long-term borrowings	3	592.50	750.50
b. Long-term provisions	4	18.98	11.46
		<u>611.48</u>	<u>761.96</u>
3. Current liabilities			
a. Short-term borrowings	5	4,060.53	3,867.22
b. Trade payables	6	2,113.74	3,495.20
c. Other current liabilities	7	277.16	194.08
d. Short-term provisions	8	445.49	103.22
		<u>6,896.92</u>	<u>7,659.72</u>
Total		<u><u>13,357.19</u></u>	<u><u>11,783.10</u></u>
B. ASSETS			
1. Non - current assets			
a. Property, plant and equipment	9	2,151.68	1,708.03
b. Capital work in progress	10	-	245.69
c. Long-term loans and advances	11	16.70	7.91
		<u>2,168.38</u>	<u>1,961.63</u>
2. Current assets			
a. Inventories	12	2,304.80	1,873.10
b. Trade receivables	13	5,205.57	7,749.20
c. Cash and cash equivalents	14	5.26	8.99
d. Short-term loans and advances	15	3,673.18	190.18
		<u>11,188.81</u>	<u>9,821.47</u>
Total		<u><u>13,357.19</u></u>	<u><u>11,783.10</u></u>

Background and significant accounting policies

1

The notes referred to above form an integral part of the financial statements.

As per our report U/S 44AB of Income Tax Act of even date attached

For BSR & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 116231 W/W-100024



Manish Gupta

Partner

Membership Number: 095037

For and on behalf of Ankit International



Hari Krishan Agarwal

Partner



Nikhil Aggarwal

Partner



Campus Activewear Private Limited

Partner/ Authorised Signatory

Place : Gurugram

Date : 21 November 2019

Place : New Delhi

Date : 21 November 2019

Ankit International

Profit and loss account for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

	Note No.	Year ended 31 March 2019	Year ended 31 March 2018
1. Revenue from operations	16	19,634.93	15,952.68
2. Other income	17	50.36	0.48
3. Total revenue (1+2)		19,685.29	15,953.16
4. Expenses			
Cost of materials consumed	18	12,474.60	10,771.23
Purchases of stock-in-trade	19	127.49	-
Changes in inventory of finished goods	20	(436.60)	(73.91)
Employee benefits expense	21	372.22	277.15
Finance costs	22	465.41	463.02
Depreciation expense	9	221.25	235.14
Other expenses	23	3,036.95	1,920.18
Total expenses		16,261.32	13,592.81
5. Profit before tax (3-4)		3,423.97	2,360.35
6. Tax expenses		(936.60)	(693.97)
7. Profit after tax (5-6)		2,487.37	1,666.38

The notes referred to above form an integral part of financial statements

As per our report U/S 44AB of Income Tax Act of even date attached

For, **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024



Manish Gupta

Partner

Membership Number: 095037

For and on behalf of Ankit International



Hari Krishan Agarwal
Partner



Nikhil Aggarwal
Partner



Campus Activewear Private Limited
Partner/ Authorised Signatory

Place : Gurugram

Date : 21 November 2019

Place : New Delhi

Date : 21 November 2019

Ankit International
Cash flow statement for the year ended 31 March 2019
(All amounts in INR lakhs unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3423.97	2,360.35
Adjustment for:		
Depreciation expense	221.25	235.14
Profit on sale of fixed assets	(0.26)	-
Finance costs	465.41	463.02
Operating profit before working capital change	4,110.37	3,058.51
Adjustment for changes in following assets and liabilities:		
Decrease/ (increase) in trade receivables	2,543.63	(4,474.52)
(Increase)/ decrease in short term loans and advances	(3,482.99)	1,606.52
Decrease in inventories	(431.70)	(411.81)
Decrease in trade payables	(1,381.46)	(198.83)
Increase in long term provisions	7.52	11.46
Increase in short term provisions	0.01	0.01
(Decrease) in other current liabilities	(35.40)	(55.54)
Cash generated from operations	1,329.98	(464.20)
Net income tax paid	(631.21)	(986.44)
Net cash flow generated/ (used in) from operating activities	698.77	(1,450.64)
B CASH FLOW FROM/ USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(435.18)	(1,402.22)
Proceeds from sale of property, plant and equipment	7.41	-
Net cash flow used in investing activities	(427.77)	(1,402.22)
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost paid	(428.54)	(463.02)
Proceeds from borrowings (net)	153.81	3,273.70
Addition of capital by partners	-	1,999.90
Withdrawal of capital by partners	-	(2,000.00)
Net cash flow (used in)/ generated from financing activities	(274.73)	2,810.58
Net decrease in cash and cash equivalents	(3.73)	(42.28)
Cash and cash equivalents as at the beginning of the year	8.99	51.27
Cash and cash equivalents as at the end of the year	5.26	8.99

Notes:

- The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard 3 on "Cash Flow Statements"
- The Firm has presented the cash flow statement as required under AS-3 "Cash flow statement" for the first time. Accordingly, the previous year numbers have been presented for comparative purpose only and have not been subject to audit in the current year

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024


Manish Gupta

Partner

Membership Number: 095037

For and on behalf of Ankit International


Hari Krishan Agarwal

Partner


Nikhil Aggarwal

Partner


Campus Actewear Private Limited

Partner/ Authorised Signatory

Place Gurugram
Date 21 November 2019

Place : New Delhi
Date : 21 November 2019

I A. Background

Ankit International is a partnership firm domiciled in India with its registered office situated at Plot No. 62, Batoli Kalan, Baddi, Dist. Solan, Himachal Pradesh-173205. It was formed on 4 October 2005. The firm is primarily engaged in the business of manufacturing of footwear and accessories through its wholesale network.

B. Basis of Preparation

The financial statements of the Firm have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified by the Institute of Chartered Accountants of India (ICAI).

C. Significant Accounting Policies

a) Use of Estimates

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known/ materialized.

The financial statements have been prepared and presented under the historical cost convention on a going concern basis, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards (to the extent applicable) notified by the Institute of Chartered Accountants of India (ICAI).

The financial statements are presented in India Rupees in Lakhs.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

b) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Firm's normal operating cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Firm's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Firm's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Firm does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Firm considers its operating cycle to be within a year.

c) Property, plant and equipment

Items of property, plant and equipment are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the item to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, if any, are shown under long-term loans and advances.

Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Modification or extension to an existing item of property, plant and equipment, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that item of property, plant and equipment.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the profit and loss account.

d) Capital work-in-progress

Costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.



c) **Depreciation**

Depreciation on Property, plant and equipment is provided on written down value basis the useful life of asset.

Block of Asset	Depreciation allowance as % of written down value (rate p.a.)
Buildings	10%
Plant and machinery	15%
Moulds	30%
Computers	40%
Furniture and fixtures	10%

f) **Impairment of assets**

A) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.

B) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

C) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

g) **Inventories**

A) Raw materials, finished goods, trading stock and packing materials are valued at the lower of cost and net realizable value. Scrap is valued at net realizable value.

B) Cost of inventories is ascertained on the FIFO basis.

h) **Retirement and other employee benefits**

A) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus / ex-gratia are recognized in the period in which the employee renders the related service.

B) Post employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Firm makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which are defined contribution plans. The Firm's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

C) Defined benefit plans

The Firm's gratuity benefit scheme is a defined benefit plan. The Firm's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognized immediately in profit and loss account.

i) **Revenue recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Firm and the revenue can be readily measured.

Sales of goods and services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales include excise duty, sale of scrap and net of sale tax /GST and quantity discount.

Other income

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income". Management fees are recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.



j) **Taxation**

Current tax:

Provision for Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax :

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

k) **Borrowing Cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, if any incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

l) **Foreign currency transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account for the period.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end are translated at the year end at the closing exchange rate and the resultant exchange differences are recognized in the profit and loss account. Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency and reported using the exchange rate at the date of transaction.

m) **Provisions**

A provision is recognized if, as a result of a past event, the Firm has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions are measured on an undiscounted basis.

n) **Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not a probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

o) **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand, demand deposits with original maturities of 3 months or less and highly liquid

p) **Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is netted off with the respective asset.

The Firm is entitled to "Scheme of budgetary support" under GST regime in respect of eligible manufacturing unit located in specified region. Such a grant is measured at amount receivable from the government and is recognized as other operating revenue when there is a reasonable assurance that the Firm will comply with all necessary conditions attached to that. Income from such grant is recognized on a systematic basis over the periods to which they relate.



Ankit International
Notes to the Financial Statement for the year ended 31 March 2019
(All amounts in INR lakhs unless otherwise stated)

2. Partners' capital

Opening Balance
 Add: Additions
 Less: Withdrawals
 Add: Share in profit for the year (refer breakup below)
 Closing Balance as on 31 March 2019

	As at 31 March 2019	As at 31 March 2018
	3,361.42	1,695.14
	-	1,999.90
	-	(2,000.00)
	2,487.37	1,666.38
	<u>5,848.79</u>	<u>3,361.42</u>

Opening Balance as on 1 April 2017
 Add: Additions
 Less: Withdrawals
 Add: Share in profit for the year
 Closing Balance as on 31 March 2018

Hari Krishan Agarwal
(Share in profit 0.5%)

Nikhil Aggarwal (share
in profit 0.5%)

Campus Activewear Private
Limited (share in profit 99%)

	1,152.29	503.66	39.19
	-	-	1,999.90
	(1,325.00)	(675.00)	-
	8.33	8.33	1,649.72
	<u>(164.38)</u>	<u>(163.01)</u>	<u>3,688.81</u>
	(164.38)	(163.01)	3,688.81
	12.44	12.44	2,462.49
	<u>(151.94)</u>	<u>(150.57)</u>	<u>6,151.30</u>

Opening Balance as on 1 April 2018
 Add: Share in profit for the year
 Closing Balance as on 31 March 2019



Ankit International

Notes to the Financial Statement for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
3. Long-term borrowings		
Secured		
Term loans*		
From Banks	750.50	790.00
Less: Current maturities of above long term borrowings (shown as a part of other current liabilities)	(158.00)	(39.50)
	592.50	750.50
*Term loan from Bank Secured against		
- exclusive charge on property at Plot No. 63 Bhatoli Kalan, Baddi, District Solan, Himachal Pradesh and Plant & Machinery		
- personal guarantee of Mr. Hari Krishan Agarwal and Mr. Nikhil Aggarwal		
4. Long-term provisions		
Provision for gratuity	18.98	11.46
	18.98	11.46
5. Short-term borrowings		
Secured		
a. Cash credit from bank*	3,010.04	3,867.22
b. Channel financing -Debtors**	1,050.49	-
	4,060.53	3,867.22
Note		
*Cash credit from bank secured against		
- exclusive charge on current assets,		
- exclusive charge on movable fixed assets except exclusively charged on term loan facility		
- exclusive charge on property at Plot No. 62 Bhatoli Kalan, Baddi, District Solan, Himachal Pradesh		
- exclusive charge on property at Plot No. 39-40, Sector-8A, I.I.E., BHEL, Haridwar, Uttarakhand (Owned by Campus Activewear Private Limited, property also cross- collateralised for facilities of Campus Activewear Private Limited)		
- personal guarantee of Mr. Hari Krishan Agarwal and Mr. Nikhil Aggarwal		
- corporate guarantee of Campus Activewear Private Limited (holding 99% in firm)		
- immovable fixed assets- extension of charge on Industrial property bearing no. J-17, Udyog nagar, Rohtak road, new delhi- 110041 (Owned by Hari Krishan Agrawal, property also cross- collateralised for facilities of Campus Activewear Private Limited)		
**The Firm has entered into first loss guarantee agreement with Yes Bank Limited wherein the Firm has guaranteed the repayment of the amounts due by its dealers to the bank. The liability of guarantor under this guarantee is an amount equal to 100% of the program limit. The bank shall be entitled to without notice to the guarantor, adjust, appropriate or set-off all monies held by the bank to the credit or for the benefit of the guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the guarantor under these presents.		
6. Trade payables		
Trade payables	2,113.74	3,495.20
	2,113.74	3,495.20
7. Other current liabilities		
a. Current maturities of long term borrowings	158.00	39.50
b. Advances from customers	60.75	77.56
c. Statutory dues payable		
TDS payable	9.37	12.30
PF and ESI payable	3.95	3.06
GST payable	1.46	34.83
d. Employee benefit payable	43.63	26.83
	277.16	194.08
8. Short-term provisions		
Provision for income tax	445.47	103.21
Provision for gratuity	0.02	0.01
	445.49	103.22



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Ankit International

Notes to the Financial Statement for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

9. Property, plant and equipment

	Gross carrying amount			Accumulated depreciation			Net carrying value		
	As at 01 April 2018	Additions	Deletions	As at 31 March 2019	As at 01 April 2018	Depreciation for the year	Deletions	As at 31 March 2019	As at 31 March 2019
Lease hold land	373.07	-	-	373.07	-	-	-	-	373.07
Buildings	860.96	518.16	(7.27)	1,371.85	203.69	91.15	(0.66)	294.18	657.27
Plant and machinery	843.04	111.47	(0.63)	953.88	334.81	106.28	(0.08)	441.01	1,077.67
Moulds	15.53	-	-	15.53	8.01	2.25	-	10.26	512.87
Computers	10.59	3.70	-	14.29	7.30	2.66	-	9.96	5.27
Furniture and fixtures	189.80	38.73	-	228.53	31.15	18.91	-	50.06	4.33
Total	2,292.99	672.06	(7.90)	2,957.15	584.96	221.25	(0.74)	805.47	1,708.03
									2,151.68



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Ankit International

Notes to the Financial Statement for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
10. Capital work in progress		
Opening Balance	245.69	-
Add: additions during the year		245.69
Less: capitalisation during the year	-245.69	-
Closing Balance	-	245.69
11. Long-term loans and advances		
(Unsecured, considered good)		
a. Security deposits	7.91	7.91
b. Capital advances	8.79	-
	16.70	7.91
12. Inventories		
(valued at lower of cost and net realisable value)		
a. Raw materials *	1,339.99	1,355.86
b. Finished goods *	903.77	467.17
c. Packing material	76.49	50.07
Less: Provision for inventory	(15.45)	-
	2,304.80	1,873.10
* During the year, the Firm has provided for INR 9.30 lakhs on Raw Materials (31 March 2018 - Nil) and INR 6.15 lakhs on finished goods (31 March 2018 - Nil) for slow moving and non-moving inventory.		
13. Trade receivables		
a. Unsecured, considered good	5,205.57	7,749.20
b. Unsecured, considered doubtful	78.68	-
Less: Provision for doubtful debts	(78.68)	-
	5,205.57	7,749.20
14. Cash and cash equivalents		
Balances with bank		
- in current account	3.19	-
- Cash in hand	2.07	8.99
	5.26	8.99
15. Short-term loans and advances		
(Unsecured, considered good)		
a. Advance to suppliers	2,908.89	8.33
b. Loans and advances to employees	50.02	42.88
c. Balance with tax authorities	698.07	136.41
d. Prepaid expenses	16.20	2.56
	3,673.18	190.18



Ankit International

Notes to the Financial Statement for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

	For the Year ended 31 March 2019	For the Year ended 31 March 2018
16. Revenue from operations		
a. Sale of goods	19,609.20	15,802.45
Other operating income		
a. Scrap sales	25.73	18.44
b. GST budgetary support	-	131.79
	19,634.93	15,952.68
17. Other income		
a. Profit on sale of property, plant and equipment	0.26	-
b. Management fee income	3.56	-
c. Balances written back	46.54	-
d. Interest received	-	0.48
	50.36	0.48
18. Cost of material consumed		
Raw material purchases	12,485.15	11,109.13
Add: opening stock	1,405.93	1,068.03
Less: closing stock	(1,416.48)	(1,405.93)
	12,474.60	10,771.23
19. Purchases of stock-in-trade		
Purchases of finished goods	127.49	-
	127.49	-
20. Changes in Inventory of finished goods		
Add-opening stock		
-Finished Goods	467.17	393.26
Less: closing stock		
-Finished Goods	(903.77)	(467.17)
	(436.60)	(73.91)
21. Employee benefits expense		
a. Salaries, wages and bonus	332.20	238.40
b. Contribution to provident and other funds	20.75	18.99
c. Gratuity	7.53	11.47
d. Staff welfare expenses	11.74	8.29
	372.22	277.15
22. Finance costs		
Interest expenses on :		
- Borrowings	415.70	430.28
- processing fee	12.84	32.70
- Income tax	36.87	0.04
	465.41	463.02
23. Other expenses		
a. Advertising and sales promotion	596.47	158.42
b. Contractor charges	1,045.29	783.43
c. Freight outwards	621.23	487.34
d. Legal and professional	333.54	131.20
e. Power and fuel	116.04	102.37
f. Travelling and conveyance	30.85	-
g. Bad debts	17.79	15.86
h. Consumables	34.45	35.17
i. Balances written off	5.09	-
j. Repairs and maintenance		
- Plant and machinery	31.68	37.25
- Building	21.96	13.18
- Others	2.60	22.41
k. Provision for slow moving inventory	15.45	-
l. Provision for doubtful debts	78.68	-
m. Miscellaneous expenses	85.83	133.55
	3,036.95	1,920.18



Ankit International

Notes to the Financial Statement for the year ended 31 March 2019

(All amounts in INR lakhs unless otherwise stated)

24. Retirement Benefits

The disclosures as per the Revised AS 15 on "Employee Benefits", are as follows:

The Firm has classified various benefits provided to employees as under :

- a) Defined Contribution Plan and amount recognized in profit and loss account.

	As at 31 March 2019	As at 31 March 2018
Employer's Contribution to Provident Fund & ESI	20.75	18.99

- b) Defined Benefit Plans

Gratuity: Actuarial valuation is done in accordance with Accounting Standard -15 (Revised), details of the same are given:

Actuarial Assumptions

	As at 31 March 2019	As at 31 March 2018
Mortality Rate (% of IALM 06-08)	100%	100%
Discounting Rate (per annum)	7.70%	7.80%
Salary Growth Rate (per annum)	10.00%	10.00%
Withdrawal Rates, based on age (per annum)		
Upto 30 Years	3%	3%
31-44 Years	2%	2%
Above 44 Years	1%	1%

Changes in the Present Value of Obligation

Particulars	As at 31 March 2019	As at 31 March 2018
Present value of obligation as at the beginning of the period	11.47	-
Current service cost	9.36	14.72
Interest cost	0.89	0.52
Curtailement cost/(credit)	-	-
Settlement cost/(credit)	-	-
Benefits paid	-	-
Actuarial (gain)/loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	0.40	(0.75)
- experience variance	(3.12)	(3.02)
Present value of obligation as at the end of period	19.00	11.47

Expense recognized in profit and loss account

	31 March 2019	31 March 2018
Current service cost	9.36	14.72
Interest cost	0.89	0.52
Expected return on plan assets	-	-
Curtailement cost / (credit)	-	-
Settlement cost / (credit)	-	-
Net actuarial (gain)/ loss recognized in the period	(2.72)	(3.77)
Expenses recognized in profit and loss account	7.53	11.47

25. Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31 March 2019:

a) Subsidiary Company	Not Applicable
b) Holding Company	Not Applicable
c) Partners:	
Name	Relation
Nikhil Aggarwal	Partner
Hari Krishan Agarwal	Partner
Campus Activewear Private Limited	Partner

- d) Enterprise over which personnel referred in (C) aforementioned exercise significant influence :-

Name	Relation
Action Shoes Private Limited	Partner's and their relatives significant influence
Action Footwear Private Limited	Partner's relative significant influence
Nikhil Udyog	Partner's relative significant influence



e Related Party Transactions

Nature of Transactions	Year ended	Partners	Enterprises over which partners or their relatives have significant influence
Sale of goods			
Action Footwear Private Limited	31-Mar-19	-	593.01
Campus Activewear Private Limited	31-Mar-18	-	426.99
	31-Mar-19	811.37	-
Purchases	31-Mar-18	951.78	-
Campus Activewear Private Limited	31-Mar-19	5,752.68	-
	31-Mar-18	5,044.29	-
Goods in transit			
Campus Activewear Private Limited	31-Mar-19	13.65	-
	31-Mar-18	4.43	-
Purchase of property, plant and equipment			
Campus Activewear Private Limited	31-Mar-19	36.70	-
	31-Mar-18	10.00	-
Nikhil Udyog	31-Mar-19	-	-
	31-Mar-18	-	-
Re-imbusement of expenses incurred by other party			
Campus Activewear Private Limited	31-Mar-19	841.18	-
	31-Mar-18	-	-
Re-imbusement of expenses incurred on behalf of other party			
Campus Activewear Private Limited	31-Mar-19	300.03	-
	31-Mar-18	-	-
Capital contribution by Partner			
Campus Activewear Private Limited	31-Mar-19	-	-
	31-Mar-18	-	-
Guarantees received			
Campus Activewear Private Limited	31-Mar-19	1,999.90	-
	31-Mar-18	4,808.67	-
Loans and advances taken			
Action Shoes Private Limited	31-Mar-19	4,653.78	-
	31-Mar-18	-	-
Hari Krishan Agarwal	31-Mar-19	-	112.75
	31-Mar-18	-	-
Repayment of loans and advances taken			
Action Shoes Private Limited	31-Mar-19	25.00	-
	31-Mar-18	-	-
Hari Krishan Agarwal	31-Mar-19	-	112.75
	31-Mar-18	-	-
Addition of capital by partners			
Campus Activewear Private Limited	31-Mar-19	82.12	-
	31-Mar-18	-	-
Withdrawal of capital by partners			
Hari Krishan Agarwal	31-Mar-19	1,999.90	-
	31-Mar-18	-	-
Nikhil Aggarwal	31-Mar-18	1,325.00	-
	31-Mar-19	-	-
	31-Mar-18	675.00	-

Related party balances as at the year end:

Relationship	Sundry payables		Sundry receivables	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Partners				
Campus Activewear Private Limited	2,884.18	1,452.93	-	-
Enterprises owned or significantly influenced by partners or their relatives				
Action Footwear Private Limited	-	-	237.15	179.77

26. The Firm's business activity falls within a single geographical & single business segment, viz, "Footwear & Related products" therefore segment information is not required to be disclosed under Accounting Standard 17, Segment Reporting issued by the Institute of Chartered Accountants of India.



27. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	As at 31 March 2019	As at 31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year reported in Current Trade Payables		
Principal amount unpaid	133.10	-
Interest due	6.77	-
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
Payment made beyond the Appointed Date	-	-
Interest Paid beyond the Appointed Date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

28. The Firm has disclosed the comparative figures for the notes 24, 25 and 27 for the first time. These have been disclosed for comparative purpose only and have not been subject to audit in the current year. Further, previous year figures have been regrouped and reclassified wherever necessary

29. Previous year financial statements were audited by another firm of Chartered Accountants M/s P.C. Bindal & Co.

The notes referred to above form an integral part of the financial statements.

As per our report U/S 44AB of Income Tax Act of even date attached

For **DSR & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024



Manish Gupta
Partner
Membership Number: 095037


For and on behalf of **Ankit International**



Hari Krishan Agarwal
Partner



Nikhil Aggarwal
Partner



Campus Activewear Private Limited
Partner/ Authorised Signatory

Place : Gurugram
Date : 21 November 2019

Place : New Delhi
Date : 21 November 2019