

## **Libas Consumer Products Limited**

National Stock Exchange of India Ltd.  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai - 400051

**Scrip Symbol - LIBAS**  
**Series: EQ**

**Subject: Outcome of Board meeting**

Dear Sir/Ma'am,

This is to inform you that the meeting of the board of directors of Libas Consumer Products Limited ("the company") held today i.e. Saturday, June 1, 2024 has approved, inter alia, the following matters:

1. Audited Annual financial results (standalone and consolidated) for the quarter and year ended March 31, 2024;
2. Audit Report issued by M/s Choudhary Choudhary & Co., Chartered Accountants, Statutory Auditors of the Company with modified opinion.

In this regard, please find enclosed herewith:

1. Audited Consolidate and Standalone financial results;
2. Independent Auditors' Report on Consolidate and Standalone financial results;
3. Statement of Impact of Audit Qualification

The meeting was started at 07:30 p.m. and concluded at 09:50 p.m.

Requesting you to take same on your record.

**For & on behalf of**  
**Libas Consumer Products Ltd.**

**Riyaz Eqbal Ahmed Ganji**  
**(Joint Managing Director)**  
**(DIN: 02236203)**  
**Date: June 1, 2024**

**CIN: L18101MH2004PLC149489**

**Registered Office: Aapki Industrial Premises Coop Soc. Ltd., Unit No. 62, Masrani Lane, Sidhpura Ind Estate, Halav Pool, Kurla (West), Mumbai-400070**

**Contact: 022-49767404/7396**

**E-mail: cs@libas.co.in**

**Website: riyazgangjilibasconsumerproductltd.com**

## LIBAS CONSUMER PRODUCTS LIMITED

CIN NO. L18101MH2004PLC149489

## Statement of Standalone Audited Financial Result For the Quarter Ended March 31,2024

(Rs. In Lakhs)

Particulars	Quarter ended			Year ended	Year ended
	31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
<b>1. INCOME</b>					
a. Revenue from Operations	1,365.03	915.23	1,283.71	4,037.48	4,333.73
b. Other Income	703.56	-	71.04	705.54	71.13
<b>Total Income</b>	<b>2,068.60</b>	<b>915.23</b>	<b>1,354.75</b>	<b>4,743.02</b>	<b>4,404.86</b>
<b>2. Expenses</b>					
a. Cost of Material Consumed	1,696.20	810.28	1,232.51	4,443.97	3,733.00
b. Employee benefits expenses	26.23	13.29	11.53	64.03	50.51
c. Finance costs	35.33	27.19	4.90	98.46	116.68
d. Depreciation & amortizations expenses	5.69	4.30	6.17	19.53	33.12
e. Other Expenses	37.52	26.06	85.77	102.88	292.47
<b>Total Expenses</b>	<b>1,800.97</b>	<b>881.11</b>	<b>1,340.88</b>	<b>4,728.87</b>	<b>4,225.77</b>
<b>3. Profit/(Loss) before exceptional and tax (1-2)</b>	<b>267.63</b>	<b>34.12</b>	<b>13.87</b>	<b>14.15</b>	<b>179.10</b>
Exceptional Items			-		-
<b>4. Profit/(Loss) before tax</b>	<b>267.63</b>	<b>34.12</b>	<b>13.87</b>	<b>14.15</b>	<b>179.10</b>
<b>5. Tax expense</b>					
Current Tax	3.56	-	3.49	3.56	45.08
Deferred Tax	0.83	(0.56)	13.17	0.46	(27.72)
<b>6. Net Profit / (Loss) after tax (4-5)</b>	<b>263.24</b>	<b>34.68</b>	<b>(2.79)</b>	<b>10.12</b>	<b>161.74</b>
<b>7. Other Comprehensive Income</b>					
<b>Items that will not be reclassified into Profit or Loss</b>					
- Re-measurement gains / (Loss) on defined benefits plans	-	-	-	-	-
- Foreign Currency Translation Reserve	-	-	-	-	-
- income Tax effect on above	-	-	-	-	-
<b>8. Total Comprehensive Income for the year (after tax) (6+7)</b>	<b>263.24</b>	<b>34.68</b>	<b>(2.79)</b>	<b>10.12</b>	<b>161.74</b>
<b>9. Earnings per share of Re. 1/- each</b>					
(a) Basic	1.00	0.13	0.01	0.04	0.73
(b) Diluted	1.00	0.13	0.01	0.04	0.73

**Notes:**

- a. The aforesaid results were reviewed by the audit committee of the board and subsequently taken on record by the board of directors of the Company at their meeting held on 01st June,2024
- b. The Company's business activity falls in two segments viz Trading of Fashion Lifestyle Products & Rock Salt therefore and the disclosure for the same given separately under AS 17 - Segment Reporting.
- c. The figures of current quarter period ended 31st March 2024 is balancing figures between the audited figures in respect of the period ended 31st March, 2024 and published figures up to period ended December 31, 2023 which were subjected to limited review.
- d. Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on September 20, 2019, the Company has exercised the option u/s 115 BAA of the Income Tax Act, 1961 to compute income tax at the revised rate (i.e. @ 25.17% inclusive of surcharge & cess). Accordingly, the Company has recognized Provision for Income tax for the period ended December 31, 2023 and re-measured its Deferred tax assets/ liabilities basis the said revised rate.
- e. The undisputed tax liability relation to TDS on Purchase, not paid by company for the FY 2022-23 amounting Rs. 1.32 Lakhs.
- f. Undisputed tax liability of Income tax for FY 17-18 is outstanding as at 31st Dec 2023 Rs. 2.91 Lakhs
- g. The undisputed tax liability relation to Profession Tax not paid by company for the FY 2018-19 and 2019-20 and 2022-23 amounting Rs. 2.78 Lakhs.
- h. The undisputed tax liability relation TCS Collected from parties, not paid by company for the FY 2020-21 and 2021-22 amounting Rs. 1.50 Lakhs
- i. The undisputed tax liability relation GST, not paid by company for the FY 2019-20 and FY 2022-23 amounting Rs. 2.79 Lakhs.
- j. The Company is not maintaining relevant information of creditors about micro and small enterprises and hence the MSME creditors are clubbed with others.

**k.** The Contingent liability includes the results of outcome of following cases filed against Company:-

1) - '-Case No. ESI No. 28 of 2013 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for recovery of Rs. 7,84,838/-. Company got the recovery stayed through Hon'ble Employees Insurance Court. Employees State Insurance Corporation filed the case alleging that the stay orders are obtained by suppressing or misrepresenting the material facts to obtain orders and hence to award punishment in accordance with law. Application is rejected and proceedings are closed.

'- Case No. ESI No. 23 of 2012 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for contempt case against the company and Director Riyaz Ganji. Order against the case is partly allowed. The dispute is remanded back to decide afresh liability of contributions on Libas Fashions and its proprietor.

2). ESI Cases filed against Company.

'-Case No. 267/SW/2012 filed for non-payment of contribution for the period February 2007 to December 2011 of Rs. 11,59,373/-.

'-Case No. 2512447/2012 filed for non-submission of Return of contribution from April 2006 to September 2011 in due dates i.e. within 42 days from the expiry of contribution period.

Both the cases were filed on October 10, 2012 in Sewree Court, Company has attending the case. The said cases are also pending in E.I. Court Bandra, Mumbai at final stage.

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

4) Managing Director Mrs Reshma Ganji has filed case in NCLT against the company. Company has filed petition in June 2023 in NCLT. Case is not yet admitted in NCLT.

I. Due to Covid in 2020 to 2021, some of the refurbished stock of those years were considered as non salable by the management lying in various stores & warehouse and therefore the management during physical verification at the year end decided to write-off the stock worth Rs. 685.16 lakhs Further Sundry Debtors of Delhi Branch of Rs. 15.87 Lakhs were considered as non recoverable on account of closure of Branch and transfer of Goods to Mumbai during 2021-22 now decided to write-off the Debtors also, Further some of the Sundry creditors outstanding from Covid period where the parties were not available or closed their business were kept payable due to limitation Act till December 2023, now management has decided to write-off the non traceable creditors during the quarter amounting to Rs. 701.04 Lakhs

**m.** The aforesaid results were reviewed by the audit committee of the board and subsequently taken on record by the board of directors of the Company at their meeting held on 1st June, 2024.

**n.** No compliants has been receive by the company as on 31st March, 2024.

Date: 1st June 2024

Place: Mumbai

**LIBAS CONSUMER PRODUCTS LIMITED (FORMALLY KNOWN AS LIBAS DESIGNS LIMITED)**  
CIN NO. L18101MH2004PLC149489

Standalone Balance Sheet as at 31st March 2024

(Rs in Lacs.)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>A) Non-current assets</b>		
Property, Plant and Equipment	115.09	134.20
Financial Assets	-	
Investments	61.74	71.43
Other Financial Assets	53.16	55.03
Other non - current assets	1,509.38	1,500.67
Deferred Tax Assets (Net)	9.51	9.98
<b>Total Non Current assets</b>	<b>1,748.89</b>	<b>1,771.31</b>
<b>B) Current assets</b>		
Inventories	2,078.94	2,916.01
<b>Financial Assets</b>		
Trade receivables	2,576.77	1,799.42
Cash and cash equivalents	682.19	705.70
Other current Assets	132.67	89.83
<b>Total Current assets</b>	<b>5,470.57</b>	<b>5,510.97</b>
<b>Total Assets</b>	<b>7,219.46</b>	<b>7,282.27</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	2,634.46	2,634.46
Other Equity	2,563.30	2,553.18
<b>Total Equity</b>	<b>5,197.76</b>	<b>5,187.64</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
Long term Borrowing	-	-
Other financial liabilities	118.63	127.75
Other Non-current liabilities	25.18	36.14
Deferred Tax Liabilities	-	-
<b>Total Non-current liabilities</b>	<b>143.82</b>	<b>163.90</b>
<b>Current liabilities</b>		
Financial Liabilities		
Borrowings	1,473.74	987.92
Trade payables	384.18	919.51
Other financial liabilities	19.02	17.04
Other current liabilities	0.94	6.27
<b>Total Current liabilities</b>	<b>1,877.89</b>	<b>1,930.74</b>
<b>Total Equity and Liabilities</b>	<b>7,219.46</b>	<b>7,282.27</b>

For and on behalf of the Board of Director of  
LIBAS CONSUMER PRODUCTS LIMITED

**Mr. Riyaz Ganji**  
Joint Managing Director  
DIN : 02236203

Date: 01st June 2024  
Place: Mumbai

**LIBAS CONSUMER PRODUCTS LIMITED**  
**Standalone Cash Flow Statement for the Year Ended 31st Mar, 2024**

Particulars	Year Ended	Year Ended
	31-Mar-24	31-Mar-23
<b>Operating activities</b>		
Profit Before Tax	14.15	179.10
<b>Adjustments to reconcile profit before tax to net cash infl</b>		
Depreciation and amortisation expenses	19.53	23.25
Interest Income	(4.27)	(50.72)
Inventory written down	-	25.00
Sundry balance written off	-	-
Bad Debts	15.88	-
Liabilities written back no longer required	(701.04)	-
Fair value loss/(gain) on investment	-	0.31
Provision for ECL	0.56	-
Interest Paid	98.46	116.68
	<b>(556.73)</b>	<b>293.62</b>
<b>Working capital adjustments :-</b>		
(Increase) / Decrease in Trade and Other Receivables	(793.79)	(93.59)
(Increase) / Decrease in Inventories	837.07	(33.23)
(Increase) / Decrease in Other Non-Current Assets	(8.72)	(767.92)
(Increase) / Decrease in Other Non-Current Financial Assets	-	-
(Increase) / Decrease in Other Current Assets	-	34.92
(Increase) / Decrease in Other liabilities	(5.34)	(156.91)
(Increase) / Decrease in Other Current Financial Assets	1.87	(4.33)
Increase / (Decrease) in Trade and Other Payables	165.72	(341.48)
Increase / (Decrease) in Other Financial Liabilities	1.98	(46.93)
	<b>(357.94)</b>	<b>(1,115.85)</b>
Direct taxes paid (Net of Refunds)	(57.36)	-
<b>Net cash flow from operating activities</b>	<b>(415.29)</b>	<b>(1,115.85)</b>
<b>Investing activities</b>		
Dividend Received		
Proceeds / (Purchase) of Investments	9.69	(10.00)
(Addition)/Deletion in Right of use Asset	-	9.86
Purchase of fixed assets	(0.42)	(18.66)
Interest received	4.27	50.72
<b>Net cash flow used in investing activities</b>	<b>13.54</b>	<b>31.92</b>
<b>Financing activities</b>		
Proceeds form issues of Borrowings (Net)	476.71	13.55
Proceeds / Payment of Lease Liability	-	(7.35)
Dividend Paid	-	-
Issue of shares	-	1,827.96
Interest paid	(98.46)	(116.68)
<b>Net cash flow from financing activities</b>	<b>378.25</b>	<b>1,717.49</b>
<b>Increase in cash and cash equivalents</b>	<b>(23.51)</b>	<b>633.56</b>
Cash and cash equivalents at the beginning of the year	705.70	72.14
Cash and cash equivalents at the end of the year	682.19	705.70

Components of Cash and Cash Equivalents at the end of year

Particulars	As at 31-03-2024	As at 31-03-2023
Cash on hand	38.35	167.64
Balance with banks	643.84	538.06
Cash and Cash Equivalents (closing)	<b>682.19</b>	<b>705.70</b>

**Note :** The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

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

**Mr. Riyaz Ganji**  
**Joint Managing Director**  
**DIN : 02236203**

Place : Mumbai  
Date: 01st June 2024

LIBAS CONSUMER PRODUCTS LIMITED (FORMALLY KNOWN AS LIBAS DESIGNS LIMITED)  
CIN NO. L18101MH2004PLC149489  
Standalone Quarterly Reporting of Segment wise Revenue, Result and  
Capital Employed Under Clause 41 of Listing Agreement

LIBAS CONSUMER PRODUCTS LIMITED (FORMALLY KNOWN AS LIBAS DESIGNS LIMITED)  
CIN NO. L18101MH2004PLC149489  
Standalone Quarterly Reporting of Segment wise Revenue, Result and  
Capital Employed Under Clause 41 of Listing Agreement

Particulars	Quarter Ended	Quarter Ended	Year Ended
	31.03.2024 (Audited)	31.12.2023 (unaudited)	31.03.2024 (Audited)
<b>1. Segment Revenue</b>			
Garment	290.39	38.39	434.92
Rock Salt	1,074.64	876.84	3,602.56
<b>Revenue from Operations</b>	<b>1,365.04</b>	<b>915.23</b>	<b>4,037.48</b>
Less: Inter Segment Revenue			
<b>Net Sales/Income form Operations</b>	<b>1,365.04</b>	<b>915.23</b>	<b>4,037.48</b>
<b>2. Segment Result</b>			
Garment	-438.96	2.89	-905.76
Rock Salt	38.36	58.42	312.83
<b>PBIT</b>	<b>-400.60</b>	<b>61.31</b>	<b>-592.93</b>
Interest	-35.33	27.19	-98.46
Other unallocable income	703.56	-	705.54
<b>PBT</b>	<b>267.63</b>	<b>34.13</b>	<b>14.15</b>
Less: Current tax	3.56		3.56
Less : Deferred Tax	0.83	-0.56	0.46
<b>Net Profit</b>	<b>263.24</b>	<b>34.69</b>	<b>10.12</b>
<b>3. Segment Assets</b>			
Garment	4,013.88	4,064.63	4,013.88
Rock Salt	2,461.65	2,107.82	2,461.65
<b>Total Segment Assets</b>	<b>6,475.53</b>	<b>6,172.45</b>	<b>6,475.53</b>
Add: Unallocated	743.93	2,376.61	743.93
<b>Total Assets</b>	<b>7,219.46</b>	<b>8,549.06</b>	<b>7,219.46</b>
<b>4. Segment Liability</b>			
Garment	488.58	1,175.25	488.58
Rock Salt	39.42	862.94	39.42
<b>Total Segment Liability</b>	<b>528.00</b>	<b>2,038.19</b>	<b>528.00</b>
Add: Unallocated	1,493.71	1,490.54	1,493.71
<b>Total Liability</b>	<b>2,021.70</b>	<b>3,528.73</b>	<b>2,021.70</b>



**Independent Auditor's Report**

Independent Auditor's Report on the Annual Audited Financial Results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** for the quarter ended and year ended on 31st March, 2024 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To  
The Board of Directors  
Libas Consumer Products Limited (Formally known as Libas Designs Limited).  
Andheri West, Mumbai.

**Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of financial results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** for the quarter and year ended on 31<sup>st</sup> March, 2024 and for the year to date period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 attached herewith being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") including relevant circulars issued by Securities and Exchange Board of India (SEBI) from time to time.

**a) Qualified Opinion on Annual Standalone Financial Results**

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. Presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. Give a true and fair view in conformity with the recognition and measurement Principles laid down in the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit/loss and other Comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March, 2024 as well as the year to date results for the period from 1<sup>st</sup> April, 2023 to 31st March, 2024.



**b) Conclusion on audited Standalone Financial Results for the quarter ended March 31, 2024**

With respect to the standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's responsibilities section below, except for the information mentioned in the "Basis for Qualified Opinion" paragraph, nothing has observed which has drawn our attention that causes us to believe that the standalone Financial Results for the quarter ended March 31, 2024, is not prepared in accordance with the recognition and measurement and principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or it may contains any material misstatement.

**Basis for Qualified Opinion on the Standalone Financial Results for the year ended March 31, 2024**

- The process of inventory management adopted by the company is not satisfactory and does not facilitate identification of old or obsolete stock. The company is holding very old stocks, we are unable to verify the ageing of stocks due to lack of relevant data, however these stocks are over 3-4 years old which we believe may not be saleable. Total value of such stock of Garment and Fabric, not written off in our estimation is Rs 1014.84 Lakhs, stocks to this extent is overstated in the balance sheet and Profits to this extent is overstated in the books.
- Loan agreements for Short Term Loans and Advances given to various parties for a total amount of Rs 1509.38 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 483.06 lakhs, balances have not changed and there has been no receipts from these parties in last 2 financial years. . In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating Rs 483.06 lakhs may not be recoverable by the company.
- Management has written off Rs. 15.88 lakhs of receivables during the current financial year. Out of the remaining debtors, debtors amounting to Rs 149.14 lakhs has nil recoveries or any movement in last over 2 financial years. In our opinion, recoverability of these receivables appears doubtful. Profit to this extent is overstated in the books.
- Management has written off Sundry Creditors amounting to Rs. 701.04 lakhs in the current financial year as those amounts were pending for over 3 years. Management has decided that these amounts are not payable and the board has decided to write off these payables. For the remaining creditors amounting to Rs 384.18 lakhs, contact details and address of parties are not provided for independent Balance confirmations by us. We are unable to establish these liabilities in the absence of relevant documents and confirmations.
- Internal Control Processes are not commensurate with the size of the business.





We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's Responsibilities for the Standalone Financial Results**

These quarterly as well as year to date financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit



conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Other Matters**

Other matters may be noted as below:

- GST Annual Return 9 and 9C FY 2022-23 is not filed till date of this report.
- We draw attention to the note no. 'f' of the standalone Financial results wherein the undisputed income tax liability of Rs.2.91 Lakhs for FY 2017-18 are unpaid as on date of this report.
- We draw attention to the note no. 'e' of the standalone financial results wherein the undisputed tax liability in relation to TDS on purchase for the F.Y. 2022-23 unpaid as on date amounting to Rs 1.32 Lakhs.
- We draw attention to the note no. 'g' to 'j' of the standalone financial results wherein the undisputed tax liability in relation to below items are unpaid as on date of this report and overdue for more than 6 months as on 31st March 2024.
  - g. Professional Tax for Rs 2.78 lakhs
  - h. TCS Collected from parties for Rs 1.50 lakhs
  - i. GST Liability for Rs 2.79 lakhs
  - j. TDS on sales for Rs 0.82 lakhs.
- We draw attention to the note no. 'k' of the standalone financial results wherein the legal cases filed against the company pending as on date of this report.

The financial results include the results for the quarter ended 31<sup>st</sup> March, 2024, being the balancing figures between the audited figures in respect of the full financial year and the published figures up to the 3<sup>rd</sup> Quarter of the current financial year which were subject to limited review by us.

**For Choudhary Choudhary & Co.**  
**Chartered Accountants**



**CA Alok Kumar Mishra**

Membership Number: 124184

Firm Registration No: 002910C

UDIN: - 24124184BKCXWF4923

Place: Mumbai

Date: 01<sup>st</sup> June , 2024

## LIBAS CONSUMER PRODUCTS LIMITED

CIN NO. L18101MH2004PLC149489

## Statement of Consolidated audited Financial Result For the Quarter Ended March 31,2024

Rs in Lakhs

Particulars	Quarter ended			Year ended	Year ended
	31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	31.03.2024 (Audited)	31.03.2023 (Audited)
<b>1. INCOME</b>					
a. Revenue from Operations	2,243.88	1,812.35	2,239.08	7,428.52	8,135.33
b. Other Income	703.56	0.00	71.04	705.54	71.13
<b>Total Income</b>	<b>2,947.45</b>	<b>1,812.35</b>	<b>2,310.11</b>	<b>8,134.05</b>	<b>8,206.47</b>
<b>2. Expenses</b>					
a. Cost of Material Consumed	2,295.35	1,476.24	1,798.28	6,823.88	6,352.31
b. Employee benefits expenses	65.65	50.74	53.94	216.49	204.58
c. Finance costs	36.07	28.33	7.13	103.71	121.89
d. Depreciation & amortizations expenses	5.69	4.30	6.17	19.53	33.12
e. Other Expenses	131.49	111.21	278.61	445.20	718.05
<b>Total Expenses</b>	<b>2,534.26</b>	<b>1,670.82</b>	<b>2,144.12</b>	<b>7,608.81</b>	<b>7,429.94</b>
<b>3. Profit/(Loss) before exceptional and tax (1-2)</b>	<b>413.19</b>	<b>141.53</b>	<b>165.99</b>	<b>525.24</b>	<b>776.53</b>
Exceptional Items - note c					
<b>4. Profit/(Loss) before tax</b>	<b>413.19</b>	<b>141.53</b>	<b>165.99</b>	<b>525.24</b>	<b>776.53</b>
<b>5. Tax expense</b>					
Current Tax	3.56	-	3.49	3.56	45.08
Deferred Tax	0.83	(0.56)	7.20	0.46	(27.72)
<b>6. Net Profit / (Loss) after tax (4-5)</b>	<b>408.80</b>	<b>142.09</b>	<b>155.30</b>	<b>521.22</b>	<b>759.17</b>
<b>7. Other Comprehensive Income</b>					
<b>Items that will not be reclassified into Profit or Loss</b>					
- Re-measurement gains / (Loss) on defined benefits plans					
- Foreign Currency Translation Reserve	5.57	(0.85)	12.51	35.08	120.02
- income Tax effect on above					
<b>8. Total Comprehensive Income for the year (after tax) (6+7)</b>	<b>414.37</b>	<b>141.24</b>	<b>167.80</b>	<b>556.29</b>	<b>879.19</b>
<b>9. Earnings per share of Re. 1/- each</b>					
(a) Basic	1.57	0.54	0.76	2.11	3.99
(b) Diluted	1.57	0.54	0.76	2.11	3.99

**Notes:**

a. The aforesaid results were reviewed by the audit committee of the board and subsequently taken on record by the board of directors of the Company at their meeting held on 01st June,2024

b. The Company's business activity falls in two segments viz Trading of Fashion Lifestyle Products & Rock Salt therefore and the disclosure for the same given separately under AS 17 - Segment Reporting.

c. The figures of current quarter period ended 31st March 2024 is balancing figures between the audited figures in respect of the period ended 31st March, 2024 and published figures up to period ended December 31, 2023 which were subjected to limited review.

d. Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on September 20, 2019, the Company has exercised the option u/s 115 BAA of the Income Tax Act, 1961 to compute income tax at the revised rate (i.e. @ 25.17% inclusive of surcharge & cess). Accordingly, the Company has recognized Provision for Income tax for the year ended September 30, 2023 and re-measured its Deferred tax assets/ liabilities basis the said revised rate.

e. The undisputed tax liability relation to TDS on Purchase, not paid by company for the FY 2022-23 amounting Rs. 1.32 Lakhs.

f. Undisputed tax liability of Income tax for FY 17-18 is outstanding as at 31st March 2024 Rs. 2.91 Lakhs

g. The undisputed tax liability relation to Profession Tax not paid by company for the FY 2018-19 and 2019-20 and 2022-23 amounting Rs. 2.78 Lakhs.

h. The undisputed tax liability relation TCS Collected from parties, not paid by company for the FY 2020-21 and 2021-22 amounting Rs. 1.50 Lakhs

i. The undisputed tax liability relation GST, not paid by company for the FY 2019-20 and FY 2022-23 amounting Rs. 2.79 Lakhs.

j. The Company is not maintaining relevant information of creditors about micro and small enterprises and hence the MSME creditors are clubbed with others.

**LIBAS CONSUMER PRODUCTS LIMITED****CIN NO. L18101MH2004PLC149489****Statement of Consolidated audited Financial Result For the Quarter Ended March 31,2024****Rs in Lakhs**

k. The Contingent liability includes the results of outcome of following cases filed against Company:-

1) - '-Case No. ESI No. 28 of 2013 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for recovery of Rs. 7,84,838/-. Company got the recovery stayed through Hon'ble Employees Insurance Court. Employees State Insurance Corporation filed the case alleging that the stay orders are obtained by suppressing or misrepresenting the material facts to obtain orders and hence to award punishment in accordance with law. Application is rejected and proceedings are closed.

'- Case No. ESI No. 23 of 2012 filed in the Hon'ble Employees Insurance Court, Mumbai by ESIC for contempt case against the company and Director Riyaz Ganji. Order against the case is partly allowed. The dispute is remanded back to decide afresh liability of contributions on Libas Fashions and its proprietor.

2). ESI Cases filed against Company.

'-Case No. 267/SW/2012 filed for non-payment of contribution for the period February 2007 to December 2011 of Rs. 11,59,373/-.

'-Case No. 2512447/2012 filed for non-submission of Return of contribution from April 2006 to September 2011 in due dates i.e. within 42 days from the expiry of contribution period.

Both the cases were filed on October 10, 2012 in Sewree Court, Company has attending the case. The said cases are also pending in E.I. Court Bandra, Mumbai at final stage.

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

4) Managing Director Mrs Reshma Ganji has filed case in NCLT against the company. Company has filed petition in June 2023 in NCLT. Case is not yet admitted in NCLT.

l. Due to Covid in 2020 to 2021, some of the refurbished stock of those years were considered as non salable by the management lying in various stores & warehouse and therefore the management during physical verification at the year end decided to write-off the stock worth Rs. 685.16 lakhs Further Sundry Debtors of Delhi Branch of Rs. 15.87 Lakhs were considered as non recoverable on account of closure of Branch and transfer of Goods to Mumbai during 2021-22 now decided to write-off the Debtors also, Further some of the Sundry creditors outstanding from Covid period where the parties were not available or closed their business were kept payable due to limitation Act till December 2023, now management has decided to write-off the non traceable creditors during the quarter amounting to Rs. 701.04 Lakhs

m. The aforesaid results were reviewed by the audit committee of the board and subsequently taken on record by the board of directors of the Company at their meeting held on 1st June, 2024.

n. No compliants has been receive by the company as on 31st March, 2024.

Date: 1st June 2024

Place: Mumbai

LIBAS CONSUMER PRODUCTS LIMITED  
CIN NO. L18101MH2004PLC149489  
Consolidated Balance Sheet as at March 31, 2024

(Amount in Lakhs.)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>A) Non-current assets</b>			
Property, Plant and Equipment	2	115.09	134.20
Right-of-use assets	3	-	-
Financial Assets			
Investments	4	34.53	44.22
Other Financial Assets	5	53.16	55.03
Other non - current assets	6	1509.38	1500.67
Deferred Tax Assets (Net)	7	9.51	9.98
<b>Total Non Current assets</b>		<b>1721.67</b>	<b>1744.09</b>
<b>B) Current assets</b>			
Inventories	8	2757.92	3468.54
Financial Assets			
Trade receivables	9	3943.19	2913.10
Cash and cash equivalents	10	840.74	758.61
Other financials Assets	11	487.27	439.90
Other current assets	12	132.67	89.83
<b>Total Current assets</b>		<b>8161.79</b>	<b>7669.98</b>
<b>Total Assets</b>		<b>9883.47</b>	<b>9414.07</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	13	2634.46	2634.46
Other Equity	14	5210.97	4654.67
<b>Total Equity</b>		<b>7845.43</b>	<b>7289.13</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Long term Borrowing	13	-	-
Other financial liabilities	14	118.63	127.75
Provisions	15	25.18	36.14
Deferred Tax Liabilities	16	-	-
<b>Total Non-current liabilities</b>		<b>143.82</b>	<b>163.90</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	17	1473.74	987.92
Trade payables	18	400.37	949.17
Other financial liabilities	19	19.18	17.69
Provisions	20	0.94	6.27
<b>Total Current liabilities</b>		<b>1894.23</b>	<b>1961.05</b>
<b>Total Equity and Liabilities</b>		<b>9883.47</b>	<b>9414.07</b>

Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements.  
In terms of our report of even date

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

Place : Mumbai  
Date: June 01, 2024

Riyaz Ganji  
Joint Managing Director  
DIN 02236203

**LIBAS CONSUMER PRODUCTS LIMITED**  
**Consolidated Cash Flow Statement for the Period Ended 31st March 2024**

Particulars	Period Ended	Year Ended
	31-Mar-24	31-Mar-23
<b>Operating activities</b>		
Profit Before Tax	525.24	776.53
<b>Adjustments to reconcile profit before tax to net cash in</b>		
Depreciation and amortisation expenses	19.53	23.25
Exchange difference in translating the financial statement of foreign operation	35.08	120.02
Interest Income	(4.27)	(50.72)
Inventory writte down		25.00
Bad Debts	15.88	-
Liabilities written back no longer required	701.04	-
Fair value gain/(loss) on investment	-	0.31
Provision for ECL	0.56	-
Interest Paid	103.71	121.89
	<b>1,396.78</b>	<b>1,016.29</b>
<b>Working capital adjustments :-</b>		
(Increase) / Decrease in Trade and Other Receivables	(1,046.54)	(567.71)
(Increase) / Decrease in Inventories	710.62	(369.47)
(Increase) / Decrease in Other Non-Current Assets	(8.72)	(767.92)
(Increase) / Decrease in Other Current Financial Assets	(47.38)	(106.56)
(Increase) / Decrease in Other Current Assets	-	34.92
(Increase) / Decrease in Other liabilities	(5.33)	(156.91)
(Increase) / Decrease in Other Current Financial Assets	1.87	(4.33)
Increase / (Decrease) in Trade and Other Payables	(1,249.84)	(341.34)
Increase / (Decrease) in Other Financial Liabilities	1.49	(46.78)
	<b>(247.04)</b>	<b>(1,309.80)</b>
Direct taxes paid (Net of Refunds)	(57.36)	-
<b>Net cash flow from operating activities</b>	<b>(304.40)</b>	<b>(1,309.80)</b>
<b>Investing activities</b>		
Proceeds / (Purchase) of Investments	9.69	(10.00)
(Addition)/Deletion in Right of use Asset	-	9.86
Purchase of fixed assets	(0.42)	(18.66)
Interest received	4.27	50.72
<b>Net cash flow used in investing activities</b>	<b>13.54</b>	<b>31.92</b>
<b>Financing activities</b>		
Proceeds form issues of Borrowings (Net)	-	13.55
Proceeds / Payment of Lease Liability	476.71	(7.35)
Issue of shares	-	1,827.96
Interest paid	(103.71)	(121.89)
<b>Net cash flow from financing activities</b>	<b>372.99</b>	<b>1,712.27</b>
<b>Increase in cash and cash equivalents</b>	<b>82.13</b>	<b>434.39</b>
Cash and cash equivalents at the beginning of the year	758.61	324.22
Cash and cash equivalents at the end of the year	840.74	758.61

Components of Cash and Cash Equivalents at the end of year

Particulars	As at	As at
	31-03-2024	31-03-2023
Cash on hand	38.35	167.64
Balance with banks	802.39	590.97
Cash and Cash Equivalents (closing)	<b>840.74</b>	<b>758.61</b>

**Note :** The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

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

**Mr. Riyaz Ganji**  
Joint Managing Director Director  
**DIN : 02236203**

Place : Mumbai  
Date : 01st June 2024

## LIBAS CONSUMER PRODUCTS LIMITED (FORMALLY KNOWN AS LIBAS DESIGNS LIMITED)

CIN NO. L18101MH2004PLC149489

Consolidated Quarterly Reporting of Segment wise Revenue, Result and  
Capital Employed Under Clause 41 of Listing Agreement

Particulars	Quarter ended	Quarter ended	For the year Ended
	31.03.2024	31.12.2023	31.03.2024
	(Audited)	(Unaudited)	(Audited)
1. Segment Revenue			
Garment	1,169.25	935.52	3,825.96
Rock Salt	1,074.64	876.84	3,602.56
Revenue from Operations	2,243.89	1,812.35	7,428.52
Less: Inter Segment Revenue			
<b>Net Sales/Income form Operations</b>	<b>2,243.89</b>	<b>1,812.35</b>	<b>7,428.52</b>
2. Segment Result			
Garment	-294.63	111.40	-389.42
Rock Salt	40.33	58.42	312.83
PBIT	-254.30	169.82	-76.59
Interest	-36.07	28.33	-103.71
Other unallocable income	703.57		705.54
PBT	<b>413.20</b>	<b>141.49</b>	<b>525.24</b>
Less: Current tax	3.56		3.56
Less : Deferred Tax	0.83	-0.56	0.83
<b>Net Profit</b>	<b>408.81</b>	<b>142.045</b>	<b>520.85</b>
3.Segment Assets			
Garment	6,677.89	6,596.43	6,677.89
Rock Salt	2,461.65	2,107.82	2,461.65
Total Segment Assets	9,139.54	8,704.25	9,139.54
Add:Unallocated	743.93	2,376.61	743.93
<b>Total Assets</b>	<b>9,883.47</b>	<b>11,080.86</b>	<b>9,883.47</b>
4.Segment Liability			
Garment	507.77	1,190.20	507.77
Rock Salt	39.42	862.94	39.42
Total Segment Liability	547.19	2,053.14	547.19
Add:Unallocated	1,493.86	1,490.54	1,493.86
<b>Total Liability</b>	<b>2,588.24</b>	<b>3,543.68</b>	<b>2,041.05</b>





## **Independent Auditor's Limited Review Report**

Independent Auditor's Report on the Annual Audited Consolidated Financial Results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** for the quarter ended and year ended on 31st March, 2024 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To  
The Board of Directors  
Libas Consumer Products Limited (Formally known as Libas Designs Limited).  
Andheri West, Mumbai.

### **Report on the Audit of the Consolidated Financial Results**

#### **Opinion**

We have audited the accompanying consolidated quarterly and annual statement of financial results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** (the "Company" or "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter and year ended on 31<sup>st</sup> March, 2024 and for the year to date period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 attached herewith being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") including relevant circulars issued by Securities and Exchange Board of India (SEBI) from time to time.

#### **a) Qualified Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

- i. Includes the financial results of its wholly owned subsidiary company i.e. LIBAS CONSUMER PRODUCTS LIMITED FZE LLC (formally known as LIBAS DESIGN LLC) (Ajman, U.A.E)
- ii. Presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. Give a true and fair view in conformity with the recognition and measurement Principles laid down in the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit/loss and other Comprehensive income and other financial information of the group for the quarter ended 31<sup>st</sup> March, 2024 as well as the year to date results for the period from 1<sup>st</sup> April, 2023 to 31st March, 2024.



**b) Conclusion on unaudited Consolidated Financial Results for the quarter ended March 31, 2024**

with respect to the Consolidated Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's responsibilities section below, except for the information mentioned in the "Basis for Qualified Opinion" paragraph, nothing has observed which has drawn our attention that causes us to believe that the consolidated Financial Results for the quarter ended March 31, 2024, is not prepared in accordance with the recognition and measurement and principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or it may contains any material misstatement.

**Basis for Qualified Opinion on the Consolidated Financial Results for the year ended March 31, 2024**

- The process of inventory management adopted by the company is not satisfactory and does not facilitate identification of old or obsolete stock. The company is holding very old stocks, we are unable to verify the ageing of stocks due to lack of relevant data, however these stocks are over 3-4 years old which we believe may not be saleable. Total value of such stock of Garment and Fabric, not written off in our estimation Rs 1014.84 Lakhs, stocks to this extent is overstated in the balance sheet and Profits to this extent is overstated in the books.
- Loan agreements for Short Term Loans and Advances given to various parties for a total amount of Rs 1509.38 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 483.06 lakhs, balances have not changed and there has been no receipts from these parties in last 2 financial years. . In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating Rs 483.06 lakhs may not be recoverable by the company.
- Management has written off Rs. 15.88 lakhs of receivables during the current financial year. Out of the remaining debtors, debtors amounting to Rs 149.14 lakhs has nil recoveries or any movement in last over 2 financial years. In our opinion, recoverability of these receivables appears doubtful. Profit to this extent is overstated in the books.
- Management has written off Sundry Creditors amounting to Rs. 701.04 lakhs in the current financial year as those amounts were pending for over 3 years. Management has decided that these amounts are not payable and the board has decided to write off these payables. For the remaining creditors amounting to Rs 384.18 lakhs, contact details and address of parties are not provided for independent Balance confirmations by us. We are unable to establish these liabilities in the absence of relevant documents and confirmations.



- Internal Control Processes are not commensurate with the size of the business.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its Subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibilities for the Consolidated Financial Results**

These quarterly as well as year to date consolidated financial results have been prepared on the basis of the annual consolidated financial statements. The Company's Board of Directors of Holding Company are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Group including its Subsidiary in accordance with the recognition and measurement principles laid down in Indian Accounting prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its subsidiary and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial results, the Board of Directors of the companies included in the group and subsidiary are responsible for assessing the ability of the group and its subsidiary to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the respective Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and its subsidiary are also responsible for overseeing the Company's financial reporting process of the group and subsidiary.



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

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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

- identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the group and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

### **Other Matters**

Consolidated Financials Result of the company includes results of the wholly owned subsidiary “LIBAS DESIGN LLC (Ajman, U.A.E)”, We did not audit the financial statements of the subsidiary included in the consolidated Financial Results, Whose financial statements reflect total Assets of Rs. 2690.04 Lakhs as at 31st March, 2024 and Total Revenue and Profits of Rs.878.46 Lakhs and Rs. 145.50 Lakhs for the Quarter ended 31st March, 2024 respectively. This financial statement of subsidiary has been audited by Mr. Nitendra Chaturvedi ACPA, ACMA having M – 1927 on behalf of Husain Al Hashmi Auditing of accounts whose reports have been furnished to us by the management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of other Auditor’s responsibility section above.

Other matters may be noted as below:

- GST Annual Return 9 and 9C FY 2022-23 is not filed till date of this report.
- We draw attention to the note no. ‘f’ of the consolidated Financial results wherein the undisputed income tax liability of Rs.2.91 Lakhs for FY 2017-18 are unpaid as on date of this report.
- We draw attention to the note no. ‘e’ of the consolidated financial results wherein the undisputed tax liability in relation to TDS on purchase for the F.Y. 2022-23 unpaid as on date amounting to Rs 1.32 Lakhs.
- We draw attention to the note no. ‘g’ to ‘j’ of the consolidated financial results wherein the undisputed tax liability in relation to below items are unpaid as on date of this report and overdue for more than 6 months as on 31st March 2024.
  - g. Professional Tax for Rs 2.78 lakhs
  - h. TCS Collected from parties for Rs 1.50 lakhs
  - i. GST Liability for Rs 2.79 lakhs
  - j. TDS on sales for Rs 0.82 lakhs.
- We draw attention to the note no. ‘k’ of the consolidated financial results wherein the legal cases filed against the company pending as on date of this report.



The statement includes the quarterly results for the year ended 31<sup>st</sup> March 2024, being the balancing figures between the audited figures in respect of the full financial year and the published figures up to the 3<sup>rd</sup> Quarter of the current financial year which were subject to limited review by us.

**For Choudhary Choudhary & Co.**  
**Chartered Accountants**



**CA Alok Kumar Mishra**

Membership Number: 124184

Firm Registration No: 002910C

UDIN: - 24124184BKCXWE2126

Place: Mumbai

Date: 01<sup>st</sup> June, 2024

**ANNEXURE I**

**Statement on Impact of Audit on Consolidated Financials for the Financial Year Ended March 31,2024  
[ Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in Lacs)	Audited Figures (as reported after adjusting for qualifications) (Rs. in Lacs)
1	Turnover / Total Income	8134.05	8134.05
2	Total expenditure	7608.81	7608.81
3	Net Profit/(Loss)	521.22	521.22
4	Earnings Per Share	2.11	2.11
5	Total Assets	9883.47	9883.47
6	Total Liabilities	1894.23	1894.23
7	Net Worth	7845.43	7845.43
8	Any other financial item(s) (as felt appropriate by the management)	-	-

**II. Audit Qualification (each audit qualification separately):**

a.	Details of Audit Qualification:	<p>1) The process of inventory management adopted by the company is not satisfactory and does not facilitate identification of old or obsolete stock. The company is holding very old stocks, we are unable to verify the ageing of stocks due to lack of relevant data, however these stocks are over 3-4 years old which we believe may not be saleable. Total value of such stock of Garment and Fabric, not written off in our estimation is Rs 1014.84 Lakhs, stocks to this extent is overstated in the balance sheet and Profits to this extent is overstated in the books.</p> <p>2) Loan agreements for Short Term Loans and Advances given to various parties for a total amount of Rs 1509.38 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 483.06 lakhs, balances have not changed and there has been no receipts from these parties in last 2 financial years. . In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating</p>
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Rs 483.06 lakhs may not be recoverable by the company.

- 3) Management has written off Rs. 15.88 lakhs of receivables during the current financial year. Out of the remaining debtors, debtors amounting to Rs 149.14 lakhs has nil recoveries or any movement in last over 2 financial years. In our opinion, recoverability of these receivables appears doubtful. Profit to this extent is overstated in the books.
- 4) Management has written off Sundry Creditors amounting to Rs. 701.04 lakhs in the current financial year as those amounts were pending for over 3 years. Management has decided that these amounts are not payable and the board has decided to write off these payables. For the remaining creditors amounting to Rs 384.18 lakhs, contact details and address of parties are not provided for independent Balance confirmations by us. We are unable to establish these liabilities in the absence of relevant documents and confirmations.
- 5) Internal Control Processes are not commensurate with the size of the business.
- 6) GST Annual Return 9 and 9C FY 2022-23 is not filed till date of this report.
- 7) We draw attention to the note no. 'f' of the standalone Financial results wherein the undisputed income tax liability of Rs.2.91 Lakhs for FY 2017-18 are unpaid as on date of this report.
- 8) We draw attention to the note no. 'e' of the standalone financial results wherein the undisputed tax liability in relation to TDS on purchase for the F.Y. 2022-23 unpaid as on date amounting to Rs 1.32 Lakhs.
- 9) We draw attention to the note no. 'g' to 'j' of the standalone financial results wherein the undisputed tax liability in relation to below items are unpaid as on date of this report and overdue for more than 6 months as on 31st March 2024. o g. Professional Tax for Rs 2.78 lakhs o h. TCS



		Collected from parties for Rs 1.50 lakhs o i. GST Liability for Rs 2.79 lakhs o j. TDS on sales for Rs 0.82 lakhs.
b.	Type of Audit Qualification:	Qualified Opinion
c.	Frequency of Qualification:	All Qualification is continued from March 2019
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's View:	<p>1) The Stock kept in Boxes at warehouse and management verified the stock once in a year as per their policy. The stock lying at store were reconciled with the opening stock, transferred to respective store during the year and stock sold during the year. Due to heavy stock it is impractical to verify each item every year. the same is exercised every third year any any differences in stock at store will be recovered from Store Manager. Hence annual verification is not carried out by the Management. Further management has decided to start renting the dresses for various movies and TV serials hence old stock / refurbished stock will be utilised to generate rental income. once the above project implemented the old Stock will be moved to Tangible assets head. In our opinion and according to our experience of last 20 years we will be able to generate good amount of income out of the above old stock.</p> <p>2) The Amount advanced to contractor for manufacturing of ethenical garments for Company during 2020 - 21. Due to COVID, Company faces cancellation of various order by the customers and in turn we were unable to take the delivery from the contractor. we are closely monitoring the advances and got assurance from the contractors /Supplier that they will adjust the amount against future work contract. Management do not see</p>

any default in refund of advance given to contractor.




3) The old outstanding includes certain debtors of closed branches and part business of Ethnicity and disputed receivables were written off by the management. The other receivables are confirmed and fully recoverable within six months from the date of signing of this report.

4) The Creditors who closed their business after COVID period and not following for payments were W/off by the management after completion of 3 years from the date of purchases. in accordance of limitation Act and after consultation with Legal department. The Balance creditors are actual and payable by the Company. Company is utilising the funds for working capital management and to reduced the Cash credit limits during last three years.

5) Company is following checker and maker system at all level of operation. The annual stock verification at store is the only reason reported by the Auditor for Internal Control. Management is ensuring the stakeholders that they will try to modify the same in accordance with the Statutory Audit requirements.

6) GST Audit under 9 and 9C is under preparation with CA and will be completed within 15days and copy of the same will be forwarded to Auditor for removal of this qualification.

7) The above outstanding is offered to adjust against old refunds receivable by the Company. Although the amount is not substantial to impact the financials of the Company, company will pay the same and get the qualification cleared.

		<p>8) Undisputed Tax liability of 2022-23 was excess recorded in last year but since it was reported in financial statement hence we were not allowed to reverse the same. We will pay in favour of our contractor and get the refund from them hence it has no impact on the financial statement.</p> <p>9) The undisputed TDS and other liability pertaining to FY 2023-24 will be cleared by the time we will file our return for the FY 2023-24. These are regularly paid by the company within the stipulated time limit specified under Income tax act.</p> <p>We assure Auditor that company will comply all the shortcoming noticed by them in next quarterly review report.</p>
	For Audit Qualification(s) where the impact is quantified by the auditor:	
i)	Management's Estimation on the impact of audit qualification: -	Not Ascertainable
ii)	If Management us unable to estimate the impact, Qualification no. 4 above	Reasons for the same:
iii)	Auditor's Comments on (i) or (ii) above: Qualification are not material to the operation of the Company.	
	<p>Signatories:</p>  <p>Riyaz Ganji Whole Time Director DIN 02236203</p>	<p>Signatories:</p>  <p>Ashish Anil Dubey Independent Director Din No 08766592</p>
	<p>CFO</p>  <p>Mohammed Shabbir Sakerwala Chief Financial Officer</p>	

	Audit Committee Chairman	
	Statutory Auditor	For Choudhary Choudhary and Co. Chartered Accountant FRN: 002910C  CA Alok Kumar Mishra Partner Membership No: 124184
Date: 1st June, 2024 Place: Mumbai		

## ANNEXURE I

Statement on Impact of Audit on Standalone Financials for the Financial Year Ended March 31,2024  
[ Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in Lacs)	Audited Figures (as reported after adjusting for qualifications) (Rs. in Lacs)
1	Turnover / Total Income	4743.02	4743.02
2	Total expenditure	4728.87	4728.87
3	Net Profit/(Loss)	10.12	10.12
4	Earnings Per Share	0.04	0.04
5	Total Assets	7219.46	7219.46
6	Total Liabilities	1877.89	1877.89
7	Net Worth	5197.76	5197.76
8	Any other financial item(s) (as felt appropriate by the management)	-	-

**II. Audit Qualification (each audit qualification separately):**

a.	Details of Audit Qualification:	<ol style="list-style-type: none"> <li>1. The process of inventory management adopted by the company is not satisfactory and does not facilitate identification of old or obsolete stock. The company is holding very old stocks, we are unable to verify the ageing of stocks due to lack of relevant data, however these stocks are over 3-4 years old which we believe may not be saleable. Total value of such stock of Garment and Fabric, not written off in our estimation is Rs 1014.84 Lakhs, stocks to this extent is overstated in the balance sheet and Profits to this extent is overstated in the books.</li> <li>2. Loan agreements for Short Term Loans and Advances given to various parties for a total amount of Rs 1509.38 lakhs, were not provided. Out of these loans given, certain parties' amounting Rs, 483.06 lakhs, balances have not changed and there has been no receipts from these parties in last 2 financial years. . In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating Rs 483.06 lakhs may not be</li> </ol>
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recoverable by the company.

3. Management has written off Rs. 15.88 lakhs of receivables during the current financial year. Out of the remaining debtors, debtors amounting to Rs 149.14 lakhs has nil recoveries or any movement in last over 2 financial years. In our opinion, recoverability of these receivables appears doubtful. Profit to this extent is overstated in the books.
4. Management has written off Sundry Creditors amounting to Rs. 701.04 lakhs in the current financial year as those amounts were pending for over 3 years. Management has decided that these amounts are not payable and the board has decided to write off these payables. For the remaining creditors amounting to Rs 384.18 lakhs, contact details and address of parties are not provided for independent Balance confirmations by us. We are unable to establish these liabilities in the absence of relevant documents and confirmations.
5. Internal Control Processes are not commensurate with the size of the business.
6. GST Annual Return 9 and 9C FY 2022-23 is not filed till date of this report.
7. We draw attention to the note no. 'f' of the standalone Financial results wherein the undisputed income tax liability of Rs.2.91 Lakhs for FY 2017-18 are unpaid as on date of this report.
8. We draw attention to the note no. 'e' of the standalone financial results wherein the undisputed tax liability in relation to TDS on purchase for the F.Y. 2022-23 unpaid as on date amounting to Rs 1.32 Lakhs.
9. We draw attention to the note no. 'g' to 'j' of the standalone financial results wherein the undisputed tax liability in relation to below items are unpaid as on date of this report and overdue for more than 6 months as on 31st March 2024. o g. Professional Tax for Rs 2.78 lakhs o h. TCS

		Collected from parties for Rs 1.50 lakhs o i. GST Liability for Rs 2.79 lakhs o j. TDS on sales for Rs 0.82 lakhs.
b.	Type of Audit Qualification:	Qualified Opinion
c.	Frequency of Qualification:	First Time
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's View:	<p>1) The Stock kept in Boxes at warehouse and management verified the stock once in a year as per their policy. The stock lying at store were reconciled with the opening stock, transferred to respective store during the year and stock sold during the year. Due to heavy stock it is impractical to verify each item every year. the same is exercised every third year any any differences in stock at store will be recovered from Store Manager. Hence annual verification is not carried out by the Management. Further management has decided to start renting the dresses for various movies and TV serials hence old stock / refurbished stock will be utilised to generate rental income. once the above project implemented the old Stock will be moved to Tangible assets head. In our opinion and according to our experience of last 20 years we will be able to generate good amount of income out of the above old stock.</p> <p>2) The Amount advanced to contractor for manufacturing of ethenical garments for Company during 2020 -21. Due to COVID, Company faces cancellation of various order by the customers and in turn we were unable to take the delivery from the contractor. we are closely monitoring the advances and got assurance from the contractors /Supplier that they will adjust the amount against future work contract. Manangement do not see any default</p>

		<p>in refund of advance given to contractor.</p> <p>3) The old outstanding includes certain debtors of closed branches and part business of Ethnicity and disputed receivables were written off by the management. The other receivables are confirmed and fully recoverable within six months from the date of signing of this report.</p> <p>4) The Creditors who closed their business after COVID period and not following for payments were W/off by the management after completion of 3 years from the date of purchases. in accordance of limitation Act and after consultation with Legal department. The Balance creditors are actual and payable by the Company. Company is utilising the funds for working capital management and to reduced the Cash credit limits during last three years.</p> <p>5) Company is following checker and maker system at all level of operation. The annual stock verification at store is the only reason reported by the Auditor for Internal Control. Management is ensuring the stakeholders that they will try to modify the same in accordance with the Statutory Audit requirements.</p> <p>6) GST Audit under 9 and 9C is under preparation with CA and will be completed within 15days and copy of the same will be forwarded to Auditor for removal of this qualification.</p> <p>7) The above outstanding is offered to adjust against old refunds receivable by the Company. Although the amount is not substantial to impact the financials of the Company, company will pay the same and get the qualification cleared.</p>
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		<p>8) Undisputed Tax liability of 2022-23 was excess recorded in last year but since it was reported in financial statement hence we were not allowed to reverse the same. We will pay in favour of our contractor and get the refund from them hence it has no impact on the financial statement.</p> <p>9) The undisputed TDS and other liability pertaining to FY 2023-24 will be cleared by the time we will file our return for the FY 2023-24. These are regularly paid by the company within the stipulated time limit specified under Income tax act.</p> <p>We assure Auditor that company will comply all the shortcoming noticed by them in next quarterly review report.</p>
	For Audit Qualification(s) where the impact is quantified by the auditor:	
i)	Management's Estimation on the impact of audit qualification: -	Not Ascertainable
ii)	If Management us unable to estimate the impact, Qualification no. 4 above	Reasons for the same:
iii)	Auditor's Comments on (i) or (ii) above: Qualification are not material to the operation of the Company.	
	<p>Signatories:</p>  <p>Riyaz Ganji Whole Time Director DIN 02236203</p>	<p>Signatories:</p>  <p>Ashish Anil Dubey Independent Director Din No 08766592</p>
	<p>CFO</p>  <p>Mohammed Shabbir Sakerwala Chief Financial Officer</p>	

Audit Committee Chairman	
Statutory Auditor	For Choudhary Choudhary and Co. Chartered Accountant FRN: 002910C  CA Alok Kumar Mishra Partner Membership No: 124184
Date: 1st June, 2024 Place: Mumbai	