

**TRIGGER®**

**TRIGGER APPARELS LIMITED**

# **TRIGGER APPARELS LIMITED**

**21<sup>st</sup> ANNUAL REPORT  
2021-22**



## TRIGGER APPARELS LIMITED

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TRIGGER APPARELS LIMITED  
CIN: U18101TZ1999PLC008956  
2, FCI Complex  
KARAMADAI, COIMBATORE - 641 104.

### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Shri KG Balakrishnan  
Shri A Velusamy  
Shri M E V Selvamm w.e.f 15.07.2022  
Shri S Kalayanasundaram up to 15.07.2022  
Shri Pranav Sriraman  
Shri S Manickam

#### REGISTERED OFFICE

2, FCI Complex  
Karamadai, Coimbatore - 641 104.

#### AUDITORS

M/s Gopalaiyer and Subramanian  
Chartered Accountants  
No. 4, Guru Govind Singh Road  
R.S.Puram  
Coimbatore-641 002

#### BANKERS

Indian Overseas Bank  
Park Square Branch  
Coimbatore

**Trigger Apparels Limited**

CIN: U18101TZ1999PLC008956

Regd. Office: 2, FCI Complex, Karamadai, Coimbatore

**NOTICE OF THE 21<sup>ST</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Company will be held on Friday the 23<sup>rd</sup> Day of September 2022 at 3.00 P.M at 2, FCI Complex, Karamadai, Coimbatore -641 104 , to transact the following business:

**AGENDA****ORDINARY BUSINESS :**

1. To consider, receive and adopt the Audited Financial Statements including Balance Sheet as at 31<sup>st</sup> March 2022 the Statement of Profit and Loss Account and Cash Flow Statement for the year ended as on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri KG Baalakrishnan (DIN : 00002174) who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

3. To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an **Ordinary Resolution**

"**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and the other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Shri S Manickam (DIN: 09278240), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13<sup>th</sup> August 2021 and who holds office upto the date of this Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Shri S Manickam as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

4. To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161 and the other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Shri M E V Selvamm (DIN: 01581681), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 15<sup>th</sup> July 2022 and who holds office upto the date of this Annual General Meeting in accordance with the provisions of Section 161(1) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Shri M E V Selvamm as a candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass the following resolution as a **Special Resolution**.

**"RESOLVED THAT** pursuant to the provisions of Section 196,197,198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the Articles of Association of the Company, and the consent of the members be and is hereby accorded for the appointment of Shri M E V Selvamm (DIN: 01581681) as a Whole-time Director of the Company for a period of 3 (three) years with effect from 15<sup>th</sup> July 2022 on the following terms and conditions shall be as follows:

- i. Basic Salary: Rs.1,50,000/- (Rupees One Lakhs and Fifty Thousand) per month.
- ii. Company's contribution to Provident Fund as per rules of the Company, to the extent it is not taxable under the Income Tax Act, 1961 shall not be included in the computation of the ceiling on remuneration or perquisites.
- iii. Gratuity payable shall not exceed half a month's salary for each completed year of service. The Whole-time Director is entitled to encashment of leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisites.
- iv. Provision of a company car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, the above remuneration shall be payable as minimum remuneration to Shri M E V Selvamm (DIN: 01581681) as Whole-Time Director."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms of remuneration payable to Shri M E V Selvamm(DIN: 01581681),Whole-time Director ,as it may deem fit, subject to the same not exceeding the limit as approved by the shareholders."

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

##### **Item No.3**

The Board of Directors at their Meeting held on 13<sup>th</sup> August 2021 has appointed Shri S Manickam (DIN: 09278240) as an Additional Director of the Company. With effect from 13<sup>th</sup> August 2021. The provisions of Section 161 (1) of the Companies Act, 2013, and the Articles of Association of the Company, Shri S Manickam hold office as an Additional Director of the Company up to the date of this Annual General Meeting.

The Board considers that his continued association of Shri S Manickam (DIN: 09278240) would be of immense benefit to the Company and it is desirable to continue to avail his services as Non-executive Director of the Company.

Shri S Manickam is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a notice from a member signifying his intention to propose the candidature of Shri S Manickam for the office of Director of the Company under Section 160 of the Act.

Pursuant to Section 161 of the Companies Act, 2013, the approval of shareholders is being now sought for the appointment of Shri S Manickam as a Director of the Company. Hence, the necessary resolution has been set out in Item No. 4 of the Notice for the approval of the members.

Except Shri S Manickam (being the appointee Director, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise in the resolution as set out under Item No.3 of the Notice.

The disclosure as required under the Secretarial Standards on General meeting (SS-2) issued by the ICSI has been annexed and forms part of this notice.

##### **Item Nos.4 & 5**

The Board of Directors at their meeting held on 15<sup>th</sup> July 2022 has appointed Shri M E V Selvamm (DIN: 01581681), as an Additional Director of the Company with effect from 15<sup>th</sup> July 2022. Pursuant to the provisions of Section 161 (1) of the Companies Act, 2013, and the Articles of Association of the Company, Shri M E V Selvamm (DIN: 01581681) holds office only up to the date of this Annual General Meeting. Shri M E V Selvamm holds office only up to the date of this Annual General Meeting of the Company.

Shri M E V Selvamm is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a notice from a member signifying his intention to propose the candidature of Shri M E V Selvamm for the office of Director of the Company under Section 160 of the Act.

Pursuant to Section 161 of the Companies Act, 2013, the approval of shareholders is being now sought for the appointment of Shri M E V Selvamm as a Director of the Company. Hence, the necessary resolution has been set out in Item No. 4 of the Notice for the approval of the members. Subsequently, the Board at their Meeting held on 15<sup>th</sup> July 2022 had taken into consideration, Shri M E V Selvamm, a Fellow Member of Company Secretaries of India having a wide experience in corporate law matters, had proposed the appointment of Shri M E V Selvamm (DIN: 01581681) as Whole-time Director of the Company for a period of 5 years with effect from 15<sup>th</sup> July 2022 and determined his remuneration as set out in the resolution. The proposed remuneration is well within the limits prescribed in the Companies Act, 2013, the Schedule and Rules made thereunder.

Shri M E V Selvamm expertise and skills are imminently needed for achieving the global business plans of the Company and his appointment as Whole Time Director would augur well for the future growth of the Company.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of the Whole Time Director shall be subject to the approval of the shareholders of the Company in the General Meeting on such terms and conditions as set out in Item No. 5 of the Notice.

Accordingly, the Board of Directors recommends the necessary resolution(s) set out in Item Nos. 4 & 5 of the Notice for the approval of the members of the company.

Except Shri M E V Selvamm (being the appointee Director, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise in the resolution as set out under Item Nos 4 & 5 of the Notice.

The disclosure as required under the Secretarial Standards on General meeting (SS-2) issued by the ICSI has been annexed and forms part of this notice.

#### **NOTES**

1. **A member entitled to attend and vote at the Annual General Meeting ("the meeting") is entitled to appoint a person to attend and vote on a poll instead of himself and the proxy need not to be a member of the Company.**

**The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy as such person shall not as proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
4. Details as required under secretarial standards issued by ICSI in respect of the Directors seeking re-appointment at the Annual General Meeting are furnished and form a part of notice.

Members are requested to note that the venue of the 21<sup>st</sup> Annual General Meeting is the Registered Office of the Company situated at 2, FCI COMPLEX, KARAMADAI, COIMBATORE – 641 104 and route map containing the complete particulars of the venue is attached to this Notice.

On behalf of the Board



**A Velusamy**  
Director  
Din: 00002204



**KG Baalakrishnan**  
Director  
DIN No:00002174

**Place: Coimbatore**  
**Date: 11.08.2022**

Information required be disclosed in terms of Schedule V to the Companies Act, 2013

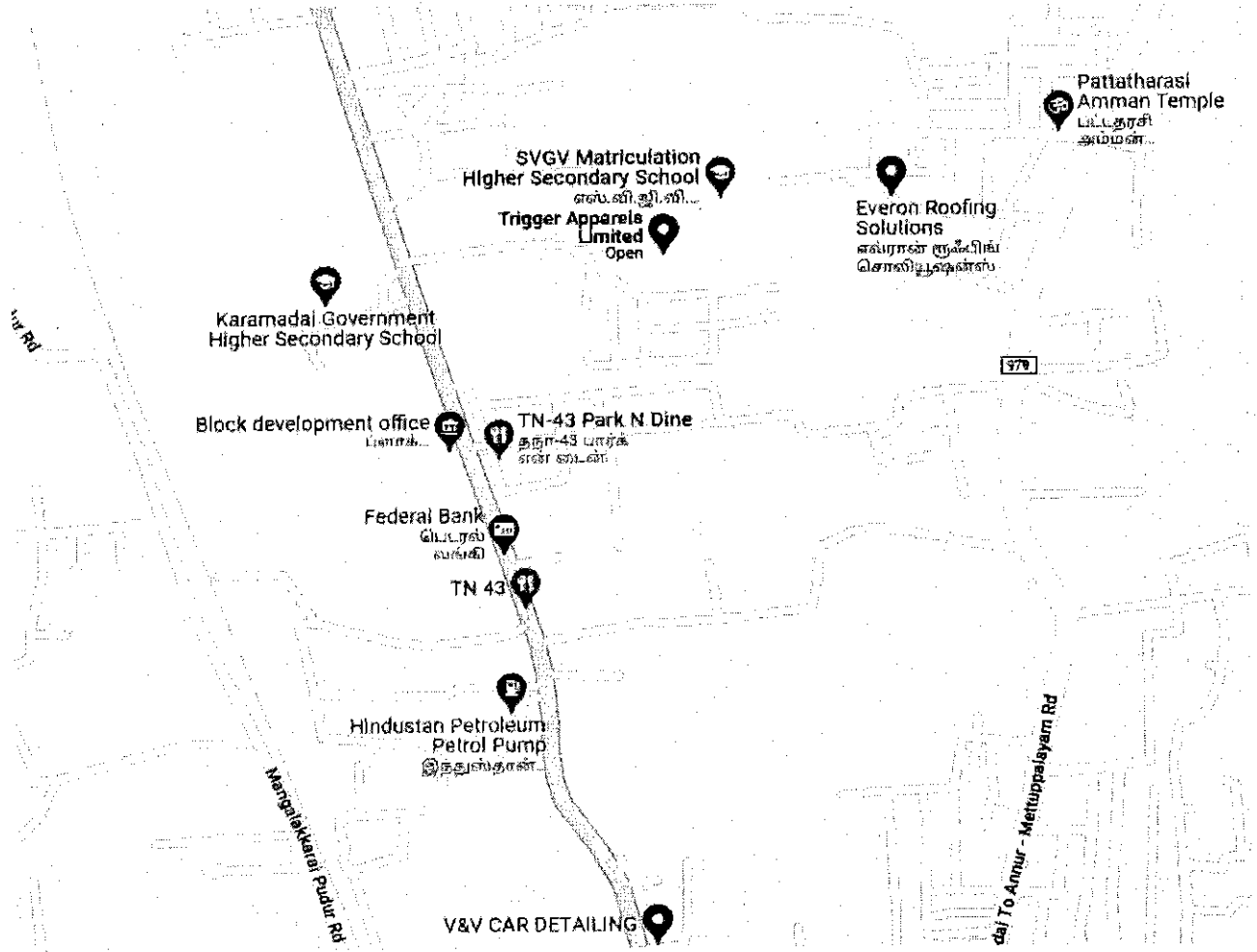
<b>1. GENERAL INFORMATION:</b>	
(1) Nature of industry	Textiles - Readymade garments in the domestic market under the brand name Trigger, export of readymade garments, and selling of readymade garments for other domestic brands.
(2) Date or expected date of commencement of commercial production	30.07.1999
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4) Financial performance based on given indicators	The financial performance of the Company for 2020-21 and 2021-22 are provided in the Annual Report 2022, which accompanies this Notice.
(5) Foreign investments or collaborations, if any.	Nil



<b>II. INFORMATION ABOUT THE APPOINTEE:</b>	
(1) Background details	Shri M E V Selvamm aged 60 Years is FCS, MBA, BL/LLB and Expertise in functional areas of Company Secretary, Legal & Management Professional with Experience in varied Industries - both in Private and Public Sector Companies.
(2) Past remuneration	Nil
(3) Recognition or awards	Nil
(4) Job profile and his suitability	Shri M E V Selvamm is FCS, MBA, BL/LLB and has nearly 3 decades of Expertise in functional areas of Company Secretary, Legal & Management Professional with Experience in varied Industries - both in Private and Public Sector Companies
(5) Remuneration proposed	Details of proposed remuneration are presented in the resolution and also in the Statement under Section 102 of the Companies Act, 2013
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration offered to Shri M E V Selvamm is at par with the industry norms considering the nature of the industry, size of the company, profile and position of the person.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration he does not have any other pecuniary relationship with the Company.
<b>III. OTHER INFORMATION:</b>	
(1) Reasons of loss or inadequate profits	Loss is on account of significant input due to Lockdowns announced by Governments in view of COVID-19 Pandemic.
(2) Steps taken or proposed to be taken for improvement	Necessary marketing strategies are being proposed.
(3) Expected increase in productivity and profits in measurable terms	Based on the prepared strategies company is expected to register reasonable profits.

**DISCLOSURE AS REQUIRED UNDER SECRETARIAL STANDARDS - 2 PERTAINING TO APPOINTMENT OF DIRECTOR AND WHOLE-TIME DIRECTOR AT THE ANNUAL GENERAL MEETING**

NAME	S Manickam	M E V Selvam
DIN	09278240	01581681
Date of Birth	26/12/1959	25/06/1962
Nationality	Indian	Indian
Date of appointment on the Board	13.08.2021	15.07.2022
Inter-se relationship with other directors or Key Managerial Personnel of the company	Nil	Nil
Qualification	CA, CMA	FCS, MBA, BL/LLB
Experience/ Expertise in functional areas	30 Years Experience in various functional areas like Finance, Accounts and Costing - both in Private and Public Sector Companies.	33 Years - Company Secretary, Legal & Management Professional with Experience in varied Industries - both in Private and Public Sector Companies.
No. of shares held	Nil	Nil
Board position held	Director	Whole-time Director
Terms and conditions of appointment / re-appointment	Nil	3 Years
Remuneration sought to be paid	Nil	Rs.1,50,000/- per month
Remuneration last drawn	Nil	Nil
Number of Board meetings attended during the year	Eight	Nil
Directorship held in other companies	KGDL Composites Private Limited	Nil
Chairmanship / Membership of the committees of the Board of other Companies in which he is Director	Nil	Nil



**Trigger Apparels Limited**

CIN: U18101TZ1999PLC008956

Regd. Office: No 2, FCI Complex, Karamadai, Coimbatore.

**DIRECTORS' REPORT**

Dear Shareholders,

We have the pleasure of presenting the Twenty-First Annual Report of the Company together with the Audited Statement of Accounts for the Year ended March 31 2022.

**STATE OF THE COMPANY AFFAIRS**

During the period under review, the Company has earned revenue of Rs.6116.38 lakhs and incurred a Net Loss of Rs.136.29 lakhs, compared to revenue of Rs.3246.55 lakhs and incurred a Net Loss of Rs.121.91 lakhs in the previous year.

**CHANGE IN THE NATURE OF BUSINESS**

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

**PERFORMANCE OF THE COMPANY**

The Company is mainly engaged in the marketing of readymade garments in the domestic market under the brand name Trigger, export of readymade garments, and selling of readymade garments for other domestic brands.

**DIVIDEND**

Due to inadequacy of profits, your directors have not recommended any dividend for the year.

**TRANSFER OF AMOUNT TO RESERVES**

In the absence of profits, there are no transfers of any amount to the general reserve for the financial year ended 31<sup>st</sup> March 2022.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act 2013 do not apply as there was no dividend declared paid last year(s).

**SHARE CAPITAL**

During the year the Company has made 15,00,000 Equity Shares of Rs.10/- each on Private Placement basis. The Issued, Subscribed and Paid-up Capital of the Company as at 31.03.2022 stood at Rs.6,00,00,000/- divided into 60,00,000 Equity Shares of Rs.10/- each.

**WEB LINK OF ANNUAL RETURN, IF ANY.**

The Company doesn't have any Website. Therefore, no need for publication of Annual Return.

**MEETINGS OF BOARD OF DIRECTORS**

Nine Board Meetings were held during the Financial Year ended March 31, 2022 on 26.07.2021, 13.08.2021, 23.09.2021, 24.09.2021, 27.10.2021, 10.02.2022, 24.03.2022, 26.03.2022 and 30.03.2022.

**STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors (SS-1) and General Meetings (SS-2)

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) in the preparation of the annual accounts, the applicable accounting standards, had been followed along with proper explanations relating to material departures ;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the period at the end of the financial year ;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- d) the directors had prepared the annual accounts on a 'going concern' basis ;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.**

There was no instance of fraud identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

**BOARD'S COMMENT ON THE AUDITORS' REPORT**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

**PARTICULARS OF LOANS, GUARANTEES, AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, the Company has not granted any loan or given any security pursuant to the provisions of Section 186 of the Companies Act, 2013.

**PARTICULAR OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All the transactions entered into by the Company with related parties were in the ordinary course of business and on arms length basis.

**MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments in the business operations of the Company from the financial year 31<sup>st</sup> March 2022 to the date of the signing of the Director's report.

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

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of Conservation of Energy and Technology Absorption are not furnished considering the nature of activities undertaken by the Company during the year under review.

**DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

**DETAILS OF COMPANY'S CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed any Corporate Social Responsibility initiative as the said provisions are not applicable.

**ANNUAL EVALUTION OF THE BAORD**

The Board has not undertaken an annual evaluation of its own performance and of the individual directors as the said provisions are not applicable to the Company.

**CHANGE IN DIRECTORSHIP**

Shri S Manickam (DIN : 09278240) was appointed as Additional Director on 13.08.2021.

Shri S Kalyanasundaram (DIN : 00142619), Director has resigned from the Board on 15.07.2022. The Board Placed on record the valuable services rendered by him.

Shri M E V Selvamm (DIN : 01581681) has been appointed as Whole-time Director on 15.07.2022.

In accordance with the provisions of Section 152 of the companies, Act, 2013 Shri KG Baalakrishnan (DIN : 00002174) retire by rotation at the forthcoming Annual General Meeting and are eligible offer himself for re-appointment.

**DETAILS OF SUBSIDIAREIS, JOINT VENTURE OR ASSOCIATE COMPANY:**

The Company does not have any Subsidiary, Joint Venture or Associate Company. Further, the Company is a Subsidiary of M/s K G Denim Limited.

**DEPOSITS:**

The Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013.

**THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material orders passed by the regulators or courts or tribunals impact the going concern status and Company's operations in the future.

**APPOINTMENT OF COST AUDITOR**

The Cost audit of the Company has not been conducted for the financial year 2021-22 as provisions of Section 148 of the Companies Act, 2013 are **not applicable** to the Company.

**INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**SECRETARIAL AUDITORS REPORT**

The provision of Section 204 of the Companies Act, 2013, is not applicable of the Company.

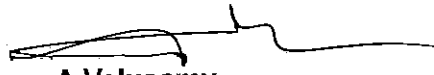
**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

**ACKNOWLEDGMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board



**A Velusamy**  
Director  
Din: 00002204



**KG Baalakrishnan**  
Director  
DIN No:00002174

Coimbatore  
11.08.2022





## INDEPENDENT AUDITOR'S REPORT

To

The Members of **TRIGGER APPARELS LIMITED**, Coimbatore

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Trigger Apparels Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year ended on that date and notes to the financial statements and a summary of significant accounting policies and other explanatory information.

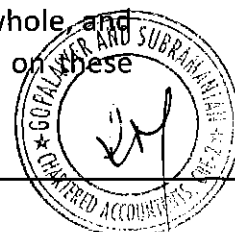
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Key Audit Matters

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



matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S no.	Key Audit Matter	Auditor's Response
1.	<p><u>Ongoing Litigations – Contingencies</u></p> <p>The Company has ongoing litigations with third parties which according to the management has no significant impact on the results, if the potential exposures were to materialize. Claims against the Company not acknowledged as debts are disclosed in the Financial Statements by the Company after a careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain, and the position taken by management involves significant judgement and estimation to determine the likelihood and/or timing of cash outflows and the interpretation of preliminary and pending court rulings.</p>	<p>We have performed the following Audit Procedures in relation to the Management's estimation on the outcome of the ongoing litigation.</p> <ol style="list-style-type: none"> <li>1. Evaluation of design and implementation of controls relating to management's estimation on the outcome of the ongoing litigations and completeness of disclosures.</li> <li>2. Tested the controls relating to Management's estimation and position taken on those litigations with the supporting documentation.</li> <li>3. Had discussions with the Management and inhouse legal counsel and/or legal team, perusal of the legal opinion and minutes of Board to confirm the operating effectiveness of these controls</li> </ol>
2.	<p><u>Companies accumulated losses</u></p> <p>The company has been incurring continuous losses which has exceeded the capital and free reserves of the company. The Company has been evaluating various options and plans to reduce the same and the effect of which will get reflected in the future years</p>	<p>We have performed the following Audit procedures in relation to the Management's perception on the subject</p> <ol style="list-style-type: none"> <li>1. Evaluation of design and implementation of the management's assessment on the current operations and estimation of future cash flows.</li> <li>2. Tested the Management's controls relating to Management's assessment of the current operations and future cash flows.</li> <li>3. Analysed and discussed cash flows, profits and other relevant forecasts with the management.</li> <li>4. We have gone through the minutes of the board meeting with respect to management's observation and the evaluation of various options and plans to reduce the same and the effect of which will get reflected in the future years.</li> </ol>



### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, for example, Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report, etc., but does not include the Financial Statements and our auditor's report thereon.

Our Opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a



reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that;

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of accounts and required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive Income, Statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to other matter to be included in the Auditor report in accordance with the requirements of sec 197(16) of the act, as amended, the company has not paid any managerial remuneration during the year and hence reporting on the compliance of Section 197 does not arise.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in the financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.
  - iv) The company has not advanced any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts.
  - v) The company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts
  - vi) The company has not declared or paid any dividend during the year.

Place: Coimbatore  
Date : 25/05/2022

**For Gopalaier and Subramanian**  
**Chartered Accountants**  
**FRN : 000960S**

  
  
**CA. R. Mahadevan**  
**Partner**  
**(M.No.027497)**  
**(UDIN: 22027497AJRJFZ8373)**

### **Annexure A to the Independent Auditors' Report**

Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of the even date to the members of **M/s. TRIGGER APPARELS LIMITED** on the financial statements for the year ended March 31, 2022.

In terms of information and explanation sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

(i) a. A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant & Equipment.

B) The company is maintaining proper records showing full particulars of intangible assets.

b. The Plant & Equipment have been physically verified by the management according to a phased program designed to cover all the items over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

c. According to the information and explanations given to us and based on our examinations of the books of accounts, the company does not own any immovable properties in its name and hence verification of title deeds in the name of the company does not arise.

d. The company has not revalued its Plant & Equipment or Intangible assets or both during the year.

e. No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and hence reporting under clause 3(i)(e) of the Order does not arise.

(ii) a. The Inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed at the time of verification.

b. The Company has not been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order does not arise.

(iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted loans, secured or unsecured to companies, firms, LLP's or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) There is no Loans, investments and guarantees made by the Company. Hence, compliance of provisions of section 185 and 186 of Act does arise.



(v) The company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act, 2013 and the Rules framed there under to the extent notified and hence Clause 3 (v) is not applicable.

(vi) Being a Trading Company, The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act and hence reporting under Clause (vi) does not arise.

(vii) a. According to the information and explanations given to us and records examined by us, the Company is regular in depositing the undisputed dues including provident fund, Employees' state insurance, Income tax, Goods and service tax, Sales tax, excise duty, service tax, customs duty, cess and other statutory dues with the appropriate authorities, wherever applicable.

b. According to the information and explanations given to us and on the basis of our records of the Company, no undisputed amounts payable in respect of provident fund, Employees' state insurance, Income tax, Sales tax, Goods and service tax, Excise duty, service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(viii). There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) a. Based on our audit procedures, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.

b. The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

c. The company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order does not arise.

d. On an overall examination of the financial statements of the company, funds raised on short-term basis have, prima facie, not been used during the year for long - term purposes by the company.

e. According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company

f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order does not arise.

(x) a. The Company has not raised any moneys by way of initial public offer or further public offer(including debt instruments) or term loans during the year. Hence clause 3(x)(a) is not applicable to the company.





b. The Company has made private placement of shares during the year and accordingly the requirements of section 42 and 62 have been complied with, and the funds raised have been used for the purposes for which the funds were raised.

(xi) a. Based on the audit procedures performed, we have neither come across any instance of material fraud by the company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

b. No report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report, with respect to commitment of an offence involving fraud.

c. The Company has not received any whistle blower complaints during the year (and upto the date of this report), and hence reporting under clause (xi)(c) does not arise.

(xii) As the Company is not a Nidhi Company and therefore Clause (xii) of the Order is not applicable to the company.

(xiii) The Company has entered into transactions with related parties which is in compliance with the provisions of Section 177 & 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) In our opinion the Company is not mandatorily required under Section 138 of the Companies Act 2013, to have an internal audit system and hence reporting under clause (xiv)(a) & (b) does not arise.

(xv) The Company has not entered into any cash transactions with its directors or persons connected with him and hence Clause 3(xv) of the Order is not applicable to the company.

(xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.

(xvii) The Company has incurred cash losses only during the preceding financial year but has not incurred any cash loss during the current financial year.

(xviii) There has been no resignation of the statutory auditors of the company during the year.

(xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.



(xx) The provisions of section 135 of the Companies Act 2013, with respect of CSR activities, are not applicable to the company and hence reporting under clause (xx) of the Order does not arise.

Place: Coimbatore  
Date: 25/05/2022



**For Gopalaiyer and Subramanian**

**Chartered Accountants**

**FRN : 000960S**

A handwritten signature in black ink, appearing to read "R. Mahadevan".

**CA. R. Mahadevan**

**Partner**

**(M.No.027497)**

**(UDIN: 22027497AJRJFZ8373)**

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of the even date to the members of **M/s. TRIGGER APPARELS LIMITED** on the financial statements for the year ended March 31, 2022.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of M/s TRIGGER APPARELS LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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



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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and dispositions of the assets of the company.

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

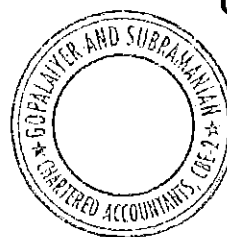
**Inherent Limitations of Internal Financial Controls Over Financial Reporting.**

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

**Opinion**

8. In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Coimbatore**  
**Date : 25/05/2022**



**For Gopalaiyer and Subramanian**  
**Chartered Accountants**  
**FRN : 000960S**

**CA. R.Mahadevan**  
**Partner**  
**(M.No. 027497)**  
**(UDIN: 22027497AJRJFZ8373)**

# TRIGGER APPARELS LIMITED

BALANCE SHEET AS AT 31st MARCH 2022

		(Rs. In Lakhs)	
Particulars	Note No.	31.03.2022	31.03.2021
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	1	63.74	63.32
(b) Intangible Assets	1	0.01	-
(c) Other non current assets	2	0.45	0.17
(d) Deferred Tax Asset (Net)	3	461.08	629.76
		<b>525.28</b>	<b>693.25</b>
<b>2 Current assets</b>			
(a) Inventories	4	1400.73	1203.06
(b) Financial Assets			
(i) Trade receivables	5	1471.08	986.95
(ii) Cash and cash equivalents	6	25.54	109.46
(iii) Bank balance other than (ii) above	7	0.80	21.47
(iv) Other financial assets	8	103.55	81.69
(d) Other current assets	9	338.90	335.57
		<b>3,340.60</b>	<b>2,738.20</b>
		<b>3,865.88</b>	<b>3,431.45</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share capital	10	600.00	450.00
(b) Other Equity	11	(2,167.83)	(2,031.54)
Total Equity		<b>(1,567.83)</b>	<b>(1,581.54)</b>
<b>2 LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	597.02	486.81
(b) Long-term provisions	13	19.03	17.74
		<b>616.05</b>	<b>504.55</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	501.83	591.21
(ii) Trade payable	15		
a. Total outstanding dues of micro and small enterprises		0.00	0.00
b. Total outstanding dues of creditors other than micro and small enterprises		4292.56	3903.48
(b) Other current liabilities	16	21.78	12.10
(c) Short-term provisions	17	1.49	1.66
		<b>4,817.66</b>	<b>4,508.45</b>
		<b>3,865.88</b>	<b>3,431.45</b>
The notes form an integral part of these financial statements			

For GOPALAIYER AND SUBRAMANIAN  
Chartered Accountants (FRN 000960S)

*R. Mahadevan*

R. Mahadevan - M.No. 27497  
Partner.

UDIN: 22024497AJRJF283TB

PLACE: COIMBATORE

DATE: 25/05/2022

*KG Baalakrishnan*

KG Baalakrishnan  
(DIN : 00002174)

*A Velusamy*

A Velusamy  
(DIN : 00002204)

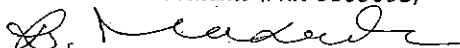


# TRIGGER APPARELS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2022

	PARTICULARS	Note No	31.03.2022	31.03.2021
I.	Revenue from operations	18	6,096.83	3,245.55
	Other income	19	19.55	1.01
	<b>Total Income (I + II)</b>		<b>6,116.38</b>	<b>3,246.55</b>
II.	<b>Expenses:</b>			
	Cost of Good Sold	20	4,844.82	2,445.73
	Employee benefits expense	21	344.15	256.76
	Finance costs	22	73.23	87.51
	Depreciation and amortization expense	1	8.44	8.20
	Other expenses	23	816.36	650.34
	<b>Total expenses</b>		<b>6,087.00</b>	<b>3,448.54</b>
III.	<b>Profit before exceptional items and tax (II-III)</b>		<b>29.38</b>	<b>(201.98)</b>
IV	ADD: Exceptional items: Gratuity Provision Reversed Gratuity Valuations through OCI		-	-
V	<b>Profit before tax (III- IV)</b>		<b>29.38</b>	<b>(201.98)</b>
VI	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) MAT Credit Entitlement		-	-
	(2) Deferred tax		168.68	(66.29)
	(4) Prior Year Taxes		-	-
			168.68	(66.29)
VII	<b>Profit (Loss) for the period from continuing operations (V - VI)</b>		<b>(139.30)</b>	<b>(135.68)</b>
VIII	<b>Other Comprehensive Income</b>			
	Items that will not reclassified to Profit or Loss		-	-
	Gratuity Valuations through OCI		(3.01)	(13.77)
	Tax Expense on above		-	-
IX	<b>Profit (Loss) for the period</b>		<b>(136.29)</b>	<b>(121.91)</b>
X	<b>Earnings per equity share:</b>			
	(1) Basic		(3.02)	(2.71)
	(2) Diluted		(3.02)	(2.71)
	Number of shares		60,00,000	45,00,000
	Weighted average Number of shares		45,08,219	45,00,000
	The Notes form an Integral Part of these financial statements			

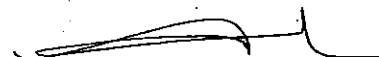
For GOPALAIYER AND SUBRAMANIAN  
Chartered Accountants (FRN 000960S)



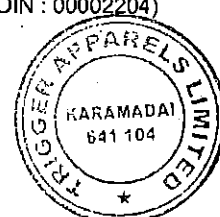
R. Mahadevan - M.No. 27497  
Partner.



KG Baalakrishnan  
(DIN : 00002174)



A Velusamy  
(DIN : 00002204)



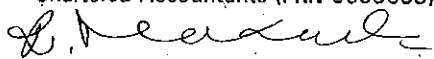
# TRIGGER APPARELS LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31.03.2022


(Rs. In Lakhs)

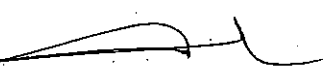
PARTICULARS	PERIOD ENDED	PERIOD ENDED
	31.03.2022	31.03.2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax and extraordinary items	29.38	-201.98
Adjustments for:		
Depreciation and Amortization expenses	8.44	8.20
Profit/Loss on sale of assets		
Finance cost	73.23	87.51
<b>Operating Profit before working capital changes</b>	<b>111.07</b>	<b>-106.27</b>
Adjustments for:		
(Increase)/Decrease in Trade and other receivables	-484.13	-455.57
(Increase)/Decrease in Inventories	-197.67	302.25
(Increase)/Decrease in Other financial assets	-21.85	-16.31
(Increase)/Decrease in Other Non-current assets	0.28	0.00
(Increase)/Decrease in Other Current assets	-3.33	17.04
Increase/(Decrease) in Trade and other payables	389.08	74.33
Increase/(Decrease) in- Gratuity valuation through OCI	3.01	13.77
Increase/(Decrease) in Provisions	10.25	-15.55
<b>Cash generated from operations</b>	<b>-193.30</b>	<b>-186.31</b>
<b>Cash flow before extraordinary items</b>	<b>-193.30</b>	<b>-186.31</b>
<b>Cash flow after extraordinary items</b>	<b>-193.30</b>	<b>-186.31</b>
Income Tax	0.00	0.00
<b>Net cash (used in)/generated from operating activities</b>	<b>-193.30</b>	<b>-186.31</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	-8.87	-5.06
Fixed Deposits with banks	20.66	-3.15
Preferential Allotment	150.00	0.00
<b>Net cash (used in)/generated from investing activities</b>	<b>161.79</b>	<b>-8.21</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds / Repayment Short term borrowings	-89.39	100.09
Proceeds / Repayment from Long term borrowings	110.21	16.87
Interest paid	-73.23	-87.51
<b>Net cash (used in)/generated from financing activities</b>	<b>-52.41</b>	<b>29.45</b>
<b>Net Increase in cash and cash equivalents</b>	<b>-83.92</b>	<b>-165.06</b>
Cash and cash equivalents as at 1st April, (Opening Balance)	109.46	274.52
Cash and cash equivalents as at 31st March (Closing Balance)	<b>25.54</b>	<b>109.46</b>
<b>Cash and cash equivalents as per above comprises of the following</b>		
Cash and cash equivalents (Refer Note 5)	25.54	109.46
<b>Balance as per Statement of Cash Flows</b>	<b>25.54</b>	<b>109.46</b>

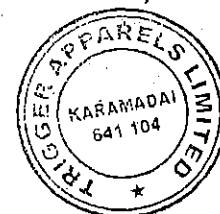
For GOPALAIYER AND SUGRAMANIAN  
Chartered Accountants (FRN 000960S)



R. Mahadevan - M.No. 27497  
Partner,

  
KG Baalakrishnan  
(DIN : 00002174)

  
A Velusamy  
(DIN : 00002204)



# TRIGGER APPARELS LIMITED

## A. EQUITY SHARE CAPITAL

### 1. Current Reporting Period

	Changes In Equity share capital due to prior period errors	Restated balance as at 01.04.2021	Changes in equity share capital during the current year	(Rs. In Lakhs) Balance as at 31.03.2022
Balance as on 01.04.2021				
450.00	-	450.00	150.00	600.00

### 2. Previous Reporting Period

	Changes In Equity share capital due to prior period errors	Restated balance as at 01.04.2020	Changes in equity share capital during the current year	(Rs. In Lakhs) Balance as at 31.03.2021
Balance as on 01.04.2020				
450.00	-	450.00	-	450.00

## B. OTHER EQUITY

	Capital Redemption Reserve	Securities Premium Revenue	General Reserve	Surplus	Total
Balance as at 1st April 2020		-	-	(1,909.63)	(1,909.63)
Profit for the year				(135.68)	(135.68)
Other Comprehensive Income for the Year				13.77	13.77
Total Comprehensive Income for the Year				(121.91)	(121.91)
Dividends				-	-
Dividend distribution tax				-	-
Balance as on 31st March 2021				(2,031.54)	(2,031.54)
Balance as at 1st April 2021		-	-	(2,031.54)	(2,031.54)
Profit for the Year				(139.30)	(139.30)
Other Comprehensive Income for the Year				3.01	3.01
Total Comprehensive Income for the Year				(136.29)	(136.29)
Dividends				-	-
Dividend distribution tax				-	-
Balance as on 31st March 2022		-	-	(2,167.83)	(2,167.83)

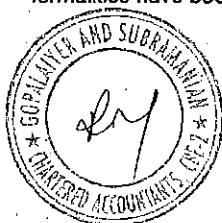
### Note 1: Property, Plant and Equipment

	Plant & Machinery	Electrical Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross Carrying Amount						
Balance as at 31st March 2021	85.26	4.43	74.06	1.72	57.40	222.87
Additions	-	-	1.84	-	7.02	8.86
Disposals	-	-	-	-	-	-
Balance as at 31st March 2022	85.26	4.43	75.90	1.72	64.42	231.73
Accumulated Depreciation						
Balance as at 31st March 2021	75.69	1.48	43.40	0.91	38.07	159.55
Additions	0.35	0.27	2.74	0.07	5.00	8.44
Disposals	-	-	-	-	-	-
Balance as at 31st March 2022	76.04	1.76	46.14	0.98	43.07	167.99
Net Carrying Amount						
Balance as at 31st March 2021	9.57	2.95	30.66	0.81	19.33	63.32
Balance as at 31st March 2022	9.21	2.68	29.76	0.74	21.35	63.74

### Note 1 A : Intangible Assets

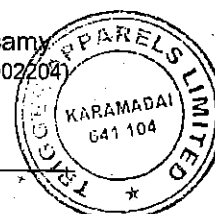
	Others	Total
Gross Carrying Amount		
Balance as at 31st March 2021	-	-
Additions	0.01	0.01
Balance as at 31st March 2022	0.01	0.01
Accumulated Amortisation		
Balance as at 31st March 2021	-	-
Additions	-	-
Disposals	-	-
Balance as at 31st March 2022	-	-
Net Carrying Amount		
Balance as at 31st March 2021	-	-
Balance as at 31st March 2022	0.01	0.01

The Company was using the Trademark 'TRIGGER' which was held by the Holding Company KG Denim Ltd with its approval over the years. As part of business plan the Company has purchased the 'TRIGGER' Trademark from Holding Company KG Denim Limited. During the year all the trademark transfer formalities have been complied by the Company



KG Baalakrishnan  
(DIN : 00002174)

A Velusamy  
(DIN : 00002204)





# TRIGGER APPARELS LIMITED

## Note 2 Other-Non Current Assets

(Rs.in Lakhs)

Particulars	31.03.2022	31.03.2021
a. Security Deposits		
Security Deposits - Unsecured considered good	0.45	0.17
<b>Total</b>	<b>0.45</b>	<b>0.17</b>

## Note 3 Deferred Tax Assets (Net)

Particulars	31.03.2022	31.03.2021
Opening Balance	629.76	563.47
Value of Depreciation as per books of accounts & IT purpose(DT)	-	-
Deferred Tax Asset on Others	-	-
Carried forward loss (Deferred Tax Assets)	(168.68)	66.29
Add: Adj to Reserve & Surplus for Depreciation*	-	-
<b>Net Deferred Tax Asset</b>	<b>461.08</b>	<b>629.76</b>

## Note 4 Inventories

Particulars	31.03.2022	31.03.2021
a. Packing Materials	6.74	1.80
b. Trading Goods		
1. Garments	1,393.99	1,201.26
2. Yarn	-	-
3. Fabric	-	-
<b>Total</b>	<b>1,400.73</b>	<b>1,203.06</b>

Mode of Valuation : Refer Note 24.2 in Significant Accounting Policies

## Note 5 Trade Receivables

Particulars	31.03.2022	31.03.2021
Current Receivables		
Trade Receivables Unsecured Considered Good	1,471.08	986.95
<b>Total</b>	<b>1,471.08</b>	<b>986.95</b>

### Receivable Ageing - 31.03.2022

(Rs. in Lakhs)

Particulars	Less than 6 months	6 Moths - 1 Year	1-2Yrs	2-3 Yrs	More than 3 Yrs	Total
(i)Un Disputed Trade Receivable- Considered Goods	1,221.29	131.39	9.81	108.58	-	1,471.08
(ii) Un Disputed Trade Receivable- Considered Doubtful	-	-	-	-	-	-
(iii)Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(iv)Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
	1,221.29	131.39	9.81	108.58	-	1,471.08
<b>Less: Provision for Doubtful Trade Receivables</b>						
<b>TOTAL</b>	<b>1,221.29</b>	<b>131.39</b>	<b>9.81</b>	<b>108.58</b>	<b>-</b>	<b>1,471.08</b>

### Receivable Ageing - 31.03.2021

(Rs. in Lakhs)

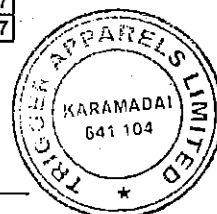
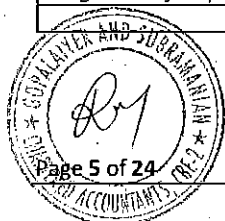
Particulars	Less than 6 months	6 Moths - 1 Year	1-2Yrs	2-3 Yrs	More than 3 Yrs	Total
(i)Un Disputed Trade Receivable- Considered Goods	827.09	70.23	20.78	68.85	-	986.95
(ii) Un Disputed Trade Receivable- Considered Doubtful	-	-	-	-	-	-
(iii)Disputed Trade Receivables Considered Good	-	-	-	-	-	-
(iv)Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
	827.09	70.23	20.78	68.85	-	986.95
<b>Less: Provision for Doubtful Trade Receivables</b>						
<b>TOTAL</b>	<b>827.09</b>	<b>70.23</b>	<b>20.78</b>	<b>68.85</b>	<b>-</b>	<b>986.95</b>

## Note 6 Cash and Cash Equivalents

Particulars	31.03.2022	31.03.2021
a. Balances with banks	21.98	105.94
b. Cash on hand	3.56	3.52
<b>Total</b>	<b>25.54</b>	<b>109.46</b>

## Note 7 Other Bank Balances

Particulars	31.03.2022	31.03.2021
Margin Money Deposits	0.80	21.47
<b>Total</b>	<b>0.80</b>	<b>21.47</b>



# TRIGGER APPARELS LIMITED

## Note 8 Other Financial Assets

Particulars	31.03.2022	31.03.2021
Advances		
For Expenses / Others	103.55	81.69
<b>Total</b>	<b>103.55</b>	<b>81.69</b>

## Note 9 Other Current Assets

Particulars	31.03.2022	31.03.2021
a. Rebate on State Levies Receivables	24.99	4.94
b. Input Credit GST Receivable	249.97	292.54
c. Export Sales Special Incentive Receivable	-	31.00
d. Prepaid Expenses	63.94	7.09
<b>Total</b>	<b>338.90</b>	<b>335.57</b>

## Note 10 Share capital

Particulars	31.03.2022	31.03.2021
<b>Authorised</b>		
5000000 Equity Shares of Rs.10 each	500.00	500.00
<b>Issued</b>		
4500000 Equity Shares of Rs.10 each	450.00	450.00
<b>Subscribed &amp; Paid up</b>		
4500000 Equity Shares of Rs.10 each fully paid	450.00	450.00
<b>Preferential Allotment</b>		
1500000 Equity Shares of Rs.10 each	150.00	-
<b>Total</b>	<b>600.00</b>	<b>450.00</b>

## Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2022	31.03.2021
Shares outstanding at the beginning of the year 45,00,000 Number	450.00	450.00
Shares issued - 45,00,000 number of shares issued during the year to KG Denim Limited		
Shri. KG Baalakrishnan - 500000 Number of Shares	50.00	-
Shri.B.Sriramulu -1000000 Number of Shares	100.00	-
Shares outstanding at the end of the year	<b>600.00</b>	<b>450.00</b>

## Disclosure of Shareholding of promoters as at March 31, 2022 is as follows

Sno	Name of the Promoter	No. of Share at the beginning of the year	Changes during the year	No. of Shares at the end of the year	% of total Shares	% changes during the year
1	KG Denim Limited	45,00,000		45,00,000	75.00%	-25%
2	Shri KG Baalakrishnan	-	5,00,000	5,00,000	8.33%	100.00%
3	Shri B. Sriramulu	-	10,00,000	10,00,000	16.67%	100.00%
		<b>45,00,000</b>	<b>15,00,000</b>	<b>60,00,000</b>	<b>100.00%</b>	

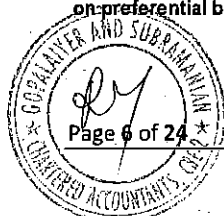
## Disclosure of Shareholding of promoters as at March 31, 2021 is as follows

Sno	Name of the Promoter	No. of Share at the beginning of the year	Changes during the year	No. of Shares at the end of the year	% of total Shares	% changes during the year
1	KG Denim Limited	45,00,000		45,00,000	100.00%	
		<b>45,00,000</b>	<b>-</b>	<b>45,00,000</b>	<b>100.00%</b>	

## Terms and Conditions of Equity shares :-

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder in the event of liquidation the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding There are no shares allotted as fully paid without payments being received in cash, bonus share or shares bought back.

The Company has allotted 15,00,000 equity shares of Rs.10 Each at Par on preferential issues basis through private placement offer letter to Shri KG Baalakrishnan and Shri B Sriramulu and on acceptance the same has been issued on preferential basis based on special resolution passed in Extra-Ordinary General Meeting on 30th March 2022.



# TRIGGER APPARELS LIMITED

## Note 11 Other Equity

(Rs. In Lakhs)

Particulars	31.03.2022	31.03.2021
Surplus		
Opening balance	(2,031.54)	(1,909.63)
(+) Total Comprehensive Income	(136.29)	(121.91)
(-) Fair Value of Receivables	-	-
(-) Adj for deferred assets on additional depreciation	-	-
Closing Balance	(2,167.83)	(2,031.54)
<b>Total</b>	<b>(2,167.83)</b>	<b>(2,031.54)</b>

## Note 12 Long Term Liabilities

Particulars	31.03.2022	31.03.2021
(a) Trade Payables	-	-
(b) Others :- Security Deposit	597.02	486.81
<b>Total</b>	<b>597.02</b>	<b>486.81</b>

## Note 13 Long Term Provisions

Particulars	31.03.2022	31.03.2021
(a) Provision for employee benefits Gratuity (unfunded)	19.03	17.74
<b>Total</b>	<b>19.03</b>	<b>17.74</b>

## Note 14 Short Term Borrowings

Particulars	31.03.2022	31.03.2021
Secured		
(a) Loans repayable on demand		
Working capital from banks (Secured)	501.83	591.21
There are no case of default in repayment of loan and interest as on the date of Balance Sheet		
<b>Total</b>	<b>501.83</b>	<b>591.21</b>

Secured loan :- Working Capital Loan from Indian Overseas Bank is Secured by an exclusive first charge on the fixed and current assets besides corporate guarantee by Holding company viz KG Denim limited. The Loans are also personally guaranteed by Shri KG Baalakrishnan, Director

## Note 15 Trade Payable

Particulars	31.03.2022	31.03.2021
Dues of Micro Enterprises and Small Enterprises	-	-
Trade Payable - Purchase	4,022.34	3,829.08
Trade Payable- Others	270.22	74.40
<b>Total</b>	<b>4,292.56</b>	<b>3,903.48</b>

## Trade Payable Ageing as on 31st March, 2022

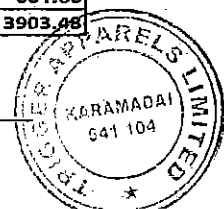
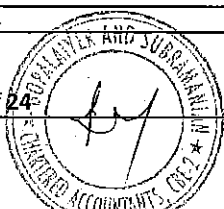
(Rs. In Lakhs)

	Less than 1 Year	1 Year to 2 Year	2 to 3 Years	Above 3 Years	Total
Trade Payable					
Holding Company - KG Denim Limited	1493.9	607.47	397.3		2498.67
Others	1787.53	6.36			1793.69
<b>Total</b>	<b>3281.43</b>	<b>612.66</b>	<b>398.47</b>		<b>4292.56</b>

## Trade Payable Ageing as on 31st March, 2021

(Rs. In Lakhs)

	Less than 1 Year	1 Year to 2 Year	2 to 3 Years	Above 3 Years	Total
Trade Payable					
Holding Company - KG Denim Limited	42.82	3208.81			3251.63
Others	648.24	2.35	1.26		651.85
<b>Total</b>	<b>694.06</b>	<b>3211.16</b>	<b>1.26</b>		<b>3903.48</b>



# TRIGGER APPARELS LIMITED

## Dues to Micro and Small Enterprises

The Company has no dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

	(Rs. In lakhs)	
	As at 31.03.2022	As at 31.03.2021
a) The principal amount remaining unpaid to any supplier at the end of the year	-	-
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) 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	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

## Note 16 Other Current Liabilities

(Rs. In Lakhs)

Particulars	31.03.2022	31.03.2021
(a) Customer Credit Balance	15.15	8.44
(b) Duties and Taxes	6.63	3.66
<b>Total</b>	<b>21.78</b>	<b>12.10</b>

## Note 17 Short Term Provisions

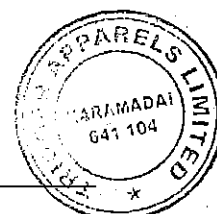
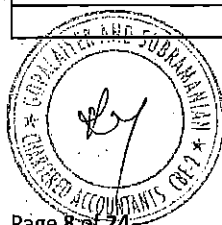
Particulars	31.03.2022	31.03.2021
(a) Provision for employee benefits Gratuity (unfunded)	1.49	1.66
<b>Total</b>	<b>1.49</b>	<b>1.66</b>

## Note 18 Revenue from operations

Particulars	31.03.2022	31.03.2021
Sale of Garments - Domestic	4,662.31	2,603.67
Sale of Garments - Export	62.04	605.79
Sale of Fabric	437.22	-
Sale of Yarn	920.92	-
Export Incentive	1.01	34.96
Other operating revenues : Accessories Sales	13.33	1.13
<b>Total</b>	<b>6,096.83</b>	<b>3,245.55</b>

## Note 19 Other income

Particulars	31.03.2022	31.03.2021
Interest Income	0.84	0.78
Other Income	5.96	0.16
Profit on Sale of Fixed Assets	-	0.07
Insurance Claim Received	12.75	-
<b>Total</b>	<b>19.55</b>	<b>1.01</b>



# TRIGGER APPARELS LIMITED

## Note 20. Cost of Goods Sold

Particulars	31.03.2022	31.03.2021
<b>A. Opening Stock</b>		
1. Garments	1,201.25	1,503.51
2. Yarn		
3. Fabric		
4. Packing Materials	1.80	1.80
Total - Opening Stock	1,203.05	1,505.31
<b>B. Purchases</b>		
1. Garments	3,632.54	2,099.04
2. Yarn	918.38	-
3. Fabric	437.22	16.71
4. Packing Materials	54.36	27.72
Total - Purchase	5,042.50	2,143.47
<b>C. Closing Stock</b>		
1. Garments	1,393.99	1,201.25
2. Yarn		
3. Fabric		
4. Packing Materials	6.74	1.80
Total - Closing Stock	1,400.73	1,203.05
<b>Cost of Goods Sold</b>	<b>4,844.82</b>	<b>2,445.73</b>

## Note 21 Employee Benefits Expense

(Rs. In Lakhs)

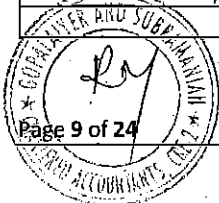
Particulars	31.03.2022	31.03.2021
(a) Salaries and incentives	331.64	243.79
(i) Provident fund(ii) Superannuation scheme	1.50	2.08
(b) Gratuity as per actuarial valuations	4.13	6.21
(c) Social security (ESI)	0.24	0.24
(d) Staff welfare expenses	6.64	4.44
<b>Total</b>	<b>344.15</b>	<b>256.76</b>

## Note 22 Finance costs

Particulars	31.03.2022	31.03.2021
Bank Charges	22.81	24.43
Interest Expenses	50.42	63.08
<b>Total</b>	<b>73.23</b>	<b>87.51</b>

## Note 23 Other expenses

Particulars	31.03.2022	31.03.2021
Rent	24.40	28.48
Insurance	16.73	19.85
Rates and taxes, excluding, taxes on income	8.47	2.57
Payments to the auditor as		
a. As Auditor	0.60	0.60
b. Tax matters	-	-
c. for other services	0.20	-
Legal, Professional & Consultancy Charges	15.19	6.54
Printing and Stationery	1.73	1.61
Postage, Telegrams and Telephones	13.20	8.10
Traveling Expenses and Maintenance of Vehicles	59.40	28.34
Repairs & Maintenance	14.61	10.43
Loss on Sale of Export License	-	0.85
Electricity Charges	5.14	4.44
Advertisement	87.35	58.12
Commission on Sales	429.55	359.70
Selling Expenses	75.56	17.12
Freight Outwards	55.51	71.89
Bad Debts Written off	1.60	26.98
Miscellaneous expense	7.12	4.57
<b>Total</b>	<b>816.36</b>	<b>650.34</b>



# TRIGGER APPARELS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

### Note: - 24 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Trigger Apparels Limited incorporated in India is engaged in trading of readymade garments.

#### I. Significant Accounting Policies followed by the Company

##### (a) Basis of preparation

###### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

###### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value in terms of Ind AS.

###### (iii) Going Concern

The accounts are prepared on the basis of going concern concept

###### (iv) Current/ Non-current classification

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

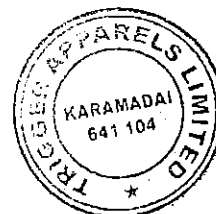
###### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### (b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.



## TRIGGER APPARELS LIMITED

### (c) Property, plant and equipment

The property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods estimated useful lives and residual value

Depreciation on Property, Plant and Equipment and other fixed assets is provided on a Straight-Line Method, over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows-

<u>Asset Class</u>	<u>Useful Life</u>
Plant and Machinery	15 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### (d) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and bank, current account balances.

### (e) Inventories

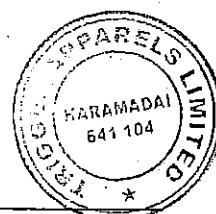
Inventories of Finished Goods, Stock-in-trade and Packing Materials are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'Weighted Average cost' as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

### (f) Financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and



## TRIGGER APPARELS LIMITED

(2) Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(g) Impairment of non-financial assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

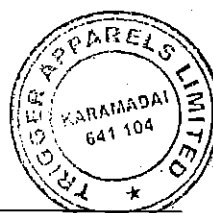
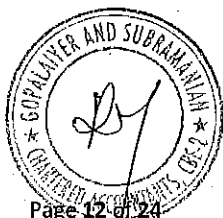
(h) Segment Reporting:

The company has only one segment -Apparels (Readymade Garments)

(i) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.





## TRIGGER APPARELS LIMITED

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### (r) Revenue recognition

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, discounts and value added taxes.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

The Company recognized the above standard retrospectively with cumulative effect.

### Sale of goods

The Company earns revenue primarily from Sale of Garments. It has applied the principles laid down in Ind AS 115 and determined that there is no change require in the existing revenue recognition methodology. In case of sale to domestic customers, sale is made on ex-factory basis and revenue is recognized when the goods are dispatched from the factory gate, in case of sale at Franchisee Outlet, revenue is recognized on goods sold to end customers. In case of export sales, revenue is recognized on shipment date, when performance obligation is met.

### Other operating revenue - Export incentives

"Export Incentives under various schemes are accounted in the year of export.

### (s) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

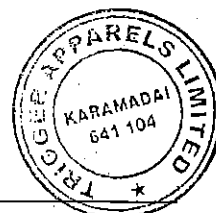
#### (iii) Employment retirement benefits

- a) Contribution to Provident Fund has been made to the respective authorities.
- b) Gratuity liability as per the Actuarial Valuation has been provided in the accounts as at the year end.

### (t) Foreign currency translation

#### (i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.



## TRIGGER APPARELS LIMITED

### (ii) Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

### (u) Income tax

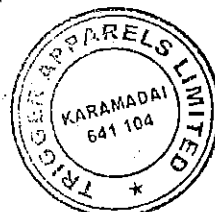
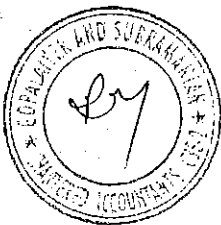
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.



# TRIGGER APPARELS LIMITED

## (v) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to taken into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(ii): Critical estimates and judgements -

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

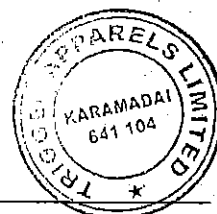
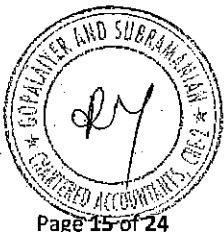
Management also need to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

## NOTE: 25 - FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.



## TRIGGER APPARELS LIMITED

The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the used of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

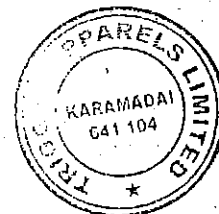
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have significant effect on the recorded fair value that are not based on observable market data.

(Rs. In Lakhs)							
Financial Assets and Liabilities as at 31st March 2022	Non current	Current	Total	Level 1	Level 2	Level 3	Total
<b>Other Assets</b>							
Trade Receivables		1,471.10	1,471.10			1,471.10	1,471.10
Cash and cash equivalents		25.54	25.54			25.54	25.54
Other Bank balances		0.80	0.80			0.80	0.80
Other Financial Assets		103.55	103.55			103.55	103.55
Other Current Assets		338.90	338.90			338.90	338.90
<b>Total</b>		<b>1,939.89</b>	<b>1,939.89</b>	-	-	<b>1,939.89</b>	<b>1,939.89</b>
<b>Financial Liabilities</b>							
Borrowings	597.02	501.83	1,098.85	-	-	1,098.85	1,098.85
Trade payables		4,292.56	4,292.56	-	-	4,292.56	4,292.56
Other Financial Liabilities		21.78	21.78	-	-	21.78	21.78
Short Term Provision		1.49	1.49	-	-	1.49	1.49
<b>Total</b>	<b>597.02</b>	<b>4,817.66</b>	<b>5,413.19</b>	-	-	<b>5,413.19</b>	<b>5,413.19</b>

Financial Assets and Liabilities as at 31st March 2021	Non current	Current	Total	Level 1	Level 2	Level 3	Total
<b>Other Assets</b>							
Trade Receivables		986.95	986.95			986.95	986.95
Cash and cash equivalents		109.46	109.46			109.46	109.46
Other Bank balances		21.47	21.47			21.47	21.47
Other Financial Assets		81.69	81.69			81.69	81.69
Other Current Assets		335.57	335.57			335.57	335.57
<b>Total</b>		<b>1,535.14</b>	<b>1,535.14</b>	-	-	<b>1,535.14</b>	<b>1,535.14</b>
<b>Financial Liabilities</b>							
Borrowings	486.81	591.21	1,078.02	-	-	1,078.02	1,078.02
Trade payables		3,903.48	3,903.48	-	-	3,903.48	3,903.48
Other Financial Liabilities		12.10	12.10	-	-	12.10	12.10
Short Term Provision		1.66	1.66	-	-	1.66	1.66
<b>Total</b>	<b>486.81</b>	<b>4,508.45</b>	<b>4,995.26</b>	-	-	<b>4,995.26</b>	<b>4,995.26</b>



# TRIGGER APPARELS LIMITED

## NOTE: 26 - FINANCIAL RISK MANAGEMENT

### Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operation activities (primarily trade receivables) and from its financing activities, foreign exchange transactions and other financial instruments.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company.

### Trade Receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and generally on 7 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral security. The Company evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

- (i) Financing arrangements

The Company has no undrawn borrowing facilities at the end of the reporting period:

- (ii) Maturity patterns of borrowings

(Rs. in lakhs)

	As at 31st March, 2022				As at 31st March, 2021			
	0-1 years	1-5 years	Above 5 years	Total	0-1 years	1-5 years	Above 5 years	Total
Long term borrowings	-	597.02	-	597.02	-	486.81	-	486.81
Short term borrowings	501.83	-	-	501.83	591.21	-	-	591.21

## TRIGGER APPARELS LIMITED

### Maturity patterns of other Financial Liabilities

As at 31st March, 2022

(Rs. in lakhs)

	Less than 1 Year	1 Year to 2 Year	2 to 3 Years	Above 3 Years	Total
<b>Trade Payable</b>					
Holding Company – KG Denim Limited	1493.9	607.47	397.3		2498.67
Others	1787.53	6.36			1793.69
<b>Total</b>	<b>3281.43</b>	<b>612.66</b>	<b>398.47</b>		<b>4292.56</b>

As at 31st March, 2021

(Rs. in lakhs)

	Less than 1 Year	1 Year to 2 Year	2 to 3 Years	Above 3 Years	Total
<b>Trade Payable</b>					
Holding Company – KG Denim Limited	42.82	3208.81			3251.63
Others	648.24	2.35	1.26		651.85
<b>Total</b>	<b>694.06</b>	<b>3211.16</b>	<b>1.26</b>		<b>3903.48</b>

### NOTE 27 – COVID

The world has been afflicted with an unprecedented epidemic COVID-19 which has adversely affected all businesses in all countries including India, during the 1<sup>st</sup> Quarter of financial year 2021-2022. In India, the Central Government and State Government announced lock down for 1 to 2 months at the beginning of the 1<sup>st</sup> Quarter of financial year 2021-22.

Epidemic COVID-19 had shown signs of recession during the second half of the financial year 2021 -22 and our business had speedily improved during the second half. In spite of lock down in few States, the company achieved a turnover of Rs.6,096.83 Lakhs in 2021-22

There has been erosion in the Company's net worth. The company has been incurring a continuous loss which has exceeded the capital and free reserves of the company. The Company has been evaluating various options and plans to reduce the same and the effect of which will get reflected in the future years, hence, the going concern assumption is being continued.

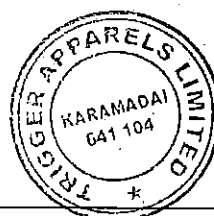
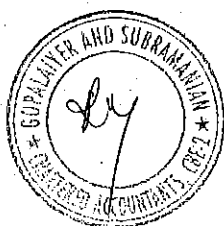
### NOTE: 28 - EARNINGS PER SHARE

(Rs. in Lakhs)

	31.03.2022	31.03.2021
<b>Earnings Per Share has been computed as under:</b>		
Profit/ (Loss) for the year	-136.29	-121.91
Number of Equity Shares	60,00,000	45,00,000
Weighted average number of equity shares outstanding	45,08,219	45,00,000
Earnings Per Share - Basic (Face Value of Rs. 10 Per Share)	-3.02	-2.71
Diluted earning per share is same as basic earning per share	-3.02	-2.71

### NOTE: 29 - CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR criteria are not applicable for the company.



# TRIGGER APPARELS LIMITED

## NOTE 30: GRATUITY

In accordance with the revised Indian Accounting Standard AS – 15, details of actuarial provision are given below which is certified by the actuary and relied upon by the auditors though the company has provided the liability in accounts, to meets its liability from internal generation.

I. PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	31-03-2021	31-03-2022
Discount Rate	6.88%	7.24%
Rate of increase in compensation levels	5.00%	5.00%
Attrition Rate	5.00%	5.00%
Expected rate of return on Plan Assets	0.00%	0.00%

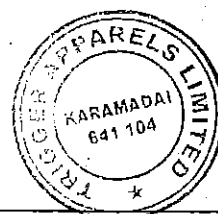
All amounts are in Rupees

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO)		
PVO as at the beginning of the period	26,96,184	19,39,745
Interest Cost	1,78,487	1,33,454
Current service cost	4,42,487	2,79,342
Past service cost	0	0
Benefits paid and Charges deducted	0	0
Actuarial loss/(gain) on obligation (balancing figure)	-13,77,413	-3,01,050
PVO as at the end of the period	19,39,745	20,51,491

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:		
Fair value of plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	0	0
Benefits paid and Charges deducted	0	0
Actuarial gain/(loss) on plan assets (balancing figure)	0	0
Fair value of plan assets as at the end of the period	0	0

IV. ACTUAL RETURN ON PLAN ASSETS		
Expected return on plan assets	0	0
Actuarial gain (loss) on plan assets	0	0
Actual return on plan assets	0	0

V. ACTUARIAL GAINS AND LOSSES RECOGNIZED		
Actuarial gain (loss) for year - obligation	13,77,413	3,01,050
Actuarial gain (loss) for year - plan assets	0	0
Subtotal	13,77,413	3,01,050
Actuarial (gain) / loss recognized	-13,77,413	-3,01,050
Unrecognized actuarial gains (losses) at the end of the period	0	0



# TRIGGER APPARELS LIMITED

## VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES

Present value of the obligation	19,39,745	20,51,491
Fair value of plan assets	0	0
Amount determined under para 63 of Ind AS19	19,39,745	20,51,491
Net Defined Benefit Liability recognized in the balance sheet	19,39,745	20,51,491
Present value of future reduction in contribution under para 65 of Ind AS 19	0	0
Net Defined Benefit Asset recognised under para 64 of Ind AS19	0	0

## VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:

Current service cost	4,42,487	2,79,342
Net interest on Net Defined Benefit Obligations	1,78,487	1,33,454
Net actuarial (gain)/loss recognised during the period	0	0
Past service cost	0	0
Expenses recognized in the statement of profit and loss	6,20,974	4,12,796

## VIII. AMOUNT RECOGNIZED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME [OCI]

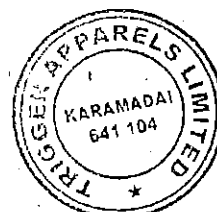
Actuarial (gain)/loss on Plan Obligations	-13,77,413	-3,01,050
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	-
Effect of Balance Sheet asset limit	-	-
Amount recognized in OCI for the current period	-13,77,413	-3,01,050

## IX. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

Opening net liability adjusted for effect of balance sheet limit	26,96,184	19,39,745
Amount recognised in Profit and Loss	6,20,974	4,12,796
Amount recognised in OCI	-13,77,413	-3,01,050
Contribution paid	0	0
Closing net liability	19,39,745	20,51,491

## X. AMOUNT FOR THE CURRENT PERIOD

Present Value of obligation	19,39,745	20,51,491
Plan Assets	0	0
Surplus (Deficit)	-19,39,745	-20,51,491
Experience adjustments on plan liabilities -(loss)/gain	5,63,477	2,28,351
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	8,13,936	72,699
Experience adjustments on plan assets -(loss)/gain	0	0





# TRIGGER APPARELS LIMITED

## Annexure to Notes Accounts:

### NOTE: 31.1 Indian Accounting Standards AS – 18 on “Related Party Disclosure”

Particulars.	(Rs. In Lakhs)					
	2021-22			2020-21		
	Holding Co	Other Related Parties	Key Management Personnel	Holding Co	Other Related Parties	Key Management Personnel
Purchase of Garments/Trademark	2,101.43			1,026.91		-
Purchase of Fabrics	-	136.07		17.54		
Sale of Fabric	459.08					
Sale of Yarn	978.03					
Sale of Accessories	17.69					
Sale of Garments	4.08	1.43				

### NOTE: 31.2 Balance Outstanding as on 31.03.2022

Particulars	(Rs. In lakhs)					
	2021-22			2020-21		
	Holding Co	Other Related Parties	Key Management Personnel	Holding Co	Other Related Parties	Key Management Personnel
Debtors						
Creditors -for Goods Purchase	2,498.37	45.70	-	3,251.92		
Advance Against Purchase						

Holding Company	K G Denim Limited
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Other Related Parties	Sri Kannapiran Mills Limited
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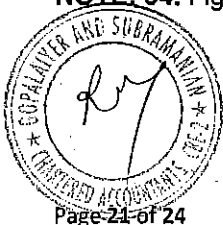
### NOTE: 32 Contingent Liabilities

#### a. Claim against the company not acknowledged as debt

	2021-22	2020-21
Shanthi Marketing, Bangalore CFA	9.68	9.68
Claim of Security Deposit – Legal Case		

NOTE: 33. Previous year's figures have been regrouped wherever necessary.

NOTE: 34. Figures have been rounded off to Rs. in lakhs.



# TRIGGER APPARELS LIMITED

## NOTE: 35. Additional Regulatory Information:

### 1. Ratio:

Ratio	Numerator	Denominator	31.03.22	31.03.21
Current ratio (in times)	Total current assets	Total current liabilities	0.69	0.61
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	-0.40	-0.31
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-2%	-8%
Inventory Turnover Ratio	Cost of goods	Average inventory for the period	0.27	1.81
Debt service coverage (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	1.52	-1.21
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.10	2.59
Trade payables turnover ratio (in times)	Total Purchase	Average trade payables	0.90	0.37
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	-4.02	-1.83
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.4%	-4%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	-7%	-7%
Return on investment (in %)	Net Profit	Invested Funds	4%	-27%

### 2. LOANS AND ADVANCES

The Company has not granted any loans or advances in the nature of loans, to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.

### 3. There is no Capital-work-in progress as on the date of balance sheet as at 31st March 2022.

### 4. COMPLIANCE WITH A NUMBER OF LAYERS OF COMPANIES

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on Number of Layers) Rules, 2017.

### 5. Intangible assets under development:

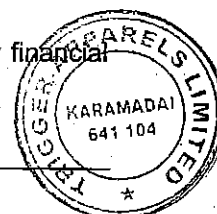
There are no intangible assets under development.

The Company was using the Trademark 'TRIGGER' which was held by the Holding Company KG Denim Ltd with its approval over the years. As part of business plan the Company has purchased the 'TRIGGER' Trademark from Holding Company KG Denim Limited. During the year all the trademark transfer formalities have been complied by the Company.

### 6. Details of Benami Property held

The Company does not hold any Benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made there under. No proceeding has been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

### 7. The Company was not declared as a "willful defaulter" by any bank or financial institution or other lenders.



## TRIGGER APPARELS LIMITED

8. The Company has not traded or invested in crypto currency or virtual currency.

9. RELATIONSHIP WITH STRIKE OFF COMPANIES

The transactions and balances with companies which have been removed from Register of Companies (Struck off companies) as at the above reporting periods is Nil.

10. SCHEME OF ARRANGEMENTS

The Company has not entered into any "Scheme of Arrangements" during the year ended 31st March 2022.

11. REGISTRATION OF CHARGES (OR) SATISFACTION WITH REGISTRAR OF COMPANIES

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

12. The company has no such transactions which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as search or survey or any other relevant provisions of Income Tax Act, 1961).

13. The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

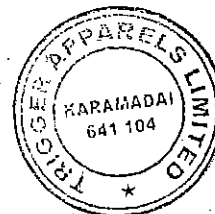
14. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall:

i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

15. APPROVED FINANCIAL STATEMENTS:

The Board of Directors of the company has reviewed the realizable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 25th May 2022.



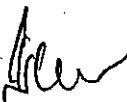
## TRIGGER APPARELS LIMITED


### 16. STOCK STATEMENT SUBMISSION WITH BANKS

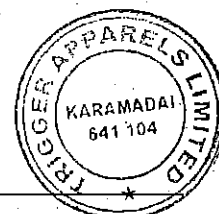
The Company has borrowed from banks on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company are not in agreement with books of accounts. Summary of reconciliation and reasons for material discrepancies as at 31st March is given below :

(Rs. In Lakhs)		
Particulars	31.03.2022	31.03.2021
Inventories as per declaration with Bank	1,393.99	1,197.33
Trade receivables as per declaration with Bank	1,434.30	981.98
<b>Total (A)</b>	<b>2,828.29</b>	<b>2,179.31</b>
Inventories as per Books	1,400.73	1,203.06
Trade receivables as per Books	1,471.08	986.95
<b>Total (B)</b>	<b>2,871.81</b>	<b>2,190.01</b>
Difference in inventories	6.74	5.73
Difference in receivables	36.78	4.97
<b>Total Difference (A)-(B)</b>	<b>43.52</b>	<b>10.70</b>

The aforesaid difference, were due to the declaration made to the bank before financial reporting closure process. The predominant reason for inventory being higher in financial statement is because of stock valuation as part of year end cut-off procedures. Similarly with respect to trade receivables, the difference is due to the credit notes, discount in the financial statements.

  
KG Baalakrishnan  
(DIN : 00002174)

  
A Velusamy  
(DIN : 00002204)



KG DENIM (USA) INC  
2711, Centerville Road, Suite - 400,  
Wilmington, Delaware - 19808

**BALANCE SHEET AS ON 31st March 2022 (Un-Audited)**

Particulars	31.03.2022		31.03.2021	
	USD	Rs. Lakhs	USD	Rs. Lakhs
<b><u>SOURCES OF FUNDS</u></b>				
<b>Shareholders Funds</b>				
1500 Nos of Shares of common stock with no par value				
Subscribed, Issued and Paid up Capital	700	0.46	700	0.46
700 nos of Shares of common stock with no par value				
Reserves & Surplus	-124124	-88.24	-113733	-80.38
Trade Payable	461280	343.83	224167	164.29
	<b>337856</b>	<b>256.05</b>	<b>111134</b>	<b>84.36</b>
<b><u>APPLICATION OF FUNDS</u></b>				
Inventories	326136	247.20	99762	76.05
Cash at Bank of India , Newyork Branch	11720	8.85	11371	8.32
<b>MISCELLANEOUS EXPENDITURE</b>				
<b>(To the extent not written off or adjusted)</b>				
Incorporation Expenses				
	<b>337856</b>	<b>256.05</b>	<b>111134</b>	<b>84.37</b>

*Paul*

K.G.DENIM USA INC  
2711, Centerville Road, Suite - 400,  
Wilmington, Delaware - 19808

**Statement of Profit and Loss for the Year ended 31st March 2022 (Un-Audited)**

Particulars	12 Months		12 Months	
	31.03.2022		31.03.2021	
	USD	Rs. In Lakhs	USD	Rs. In Lakhs
I. Revenue from operations	4353	3.29	75363	55.17
II. Other income	469	0.35	959	0.70
III. Total Revenue (I + II)	4822	3.64	76322	55.87
IV. Expenses :				
Purchase of Stock in trade	233022	176.19	15021	11.00
Changes in inventories of stock in trade ,	-226373	-171.16	73069	54.13
Selling & Transaction Fee	5609	4.24	5907	4.32
Selling Expenses - Advertisement	2469	1.87	1365	1.00
Legal & Professional Expenses		0.00		0
Pre Incorporation expenses written off	0	0.00	0	0.00
Other Expenses	362	0.27	11037	8.08
Finance Charges	125	0.09	190	0.14
Total Expenses	15213	11.50	106589	78.67
V. Profit before tax ( III-IV )	-10391	-7.86	-30267	-22.80
VI. Tax expenses :				
Current tax	0	0.00	0	0.00
VII. Profit / (Loss) for the period ( V- VI )	-10391	-7.86	-30267	-22.80

