

2020



*PURPLE
ENTERTAINMENT
LIMITED*

ANNUAL REPORT 2019-2020

*REG OFFICE: 30-B, 3RD FLOOR, AJANTA
COMPLEX, INCOME TAX, ASHRAM
ROAD, AHMEDABAD – 380009 |*

BOARD OF DIRECTORS

- 1) SMT. MANJULABEN KOTHARI
- 2) SHRI. CHIRAG SUDHIRBHAI SHAH
- 3) SHRI. PANCHAL NRUPESH KIRTIKUMAR

AUDITOR

M/S HARSHAD SUDHIR & CO.,
AHMEDABAD

REGISTRAR AND SHARE TRANSFER AGENT

PURVA SHAREGISTRY (INDIA) PVT. LTD.

9 SHIV SHAKTI IND. ESTT.
J R BORICHA MARG,
LOWER PAREL
EAST MUMBAI 400 011

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF PURPLE ENTERTAINMENT LIMITED WILL BE HELD ON 19TH DECEMBER, 2020, SATURDAY, AT 02.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2020 and Balance sheet as at that date together with Directors Report and Auditors Report thereon.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty-eight hours before the time of holding the Meeting.
2. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
3. The Register of Members and share transfer books of the Company will remain closed from 15.12.2020 TO 19.12.2020 (both days inclusive)
4. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.

DATE : 27TH NOVEMBER, 2020
PLACE: AHMEDABAD

BY ORDER OF THE BOARD

S/d
CHAIRMAN

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 16.12.2020 at 10.00 A.M. and ends on 18.12.2020 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11.12.2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi)
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Attendance Slip.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two

	characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **PURPLE ENTERTAINMENT LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also use Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e voting credentials to vote for the company resolution(s).
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

BOARD'S REPORT

TO,
THE MEMBERS
PURPLE ENTERTAINMENT LIMITED

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2020.

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	Standalone	
	2019-2020	2018-2019
Gross Income	83.37	23.34
Profit Before Interest and Depreciation	5.78	5.98
Finance Charges	0.37	0.00
Gross Profit	5.41	5.98
Depreciation	3.45	0.57
Net Profit Before Tax	1.96	5.98
Tax	0.00	1.92
Net Profit After Tax	1.96	4.06

DIVIDEND

However with the view to conserve the resources of company the directors are not recommending any dividend.

AMOUNTS TRANSFERRED TO RESERVES

The Board of the company has decided to carry current year profit to its reserves.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

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 and paid last year.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-20, the Company held Seven (7) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and SEBI LODR were adhered to while considering the time gap between two meetings.

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	30/05/2019	3	3
2.	13/07/2019	3	3
3.	31/08/2019	3	3
4.	21/09/2019	3	3
5.	13/11/2019	3	3
6.	06/02/2020	3	3
7.	31/03/2020	3	3

DIRECTORS' 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 explanation 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 at the end of the financial year and of the profit and loss of the company for that period;

- (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; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS and REPORT thereon

M/s. HARSHAD SUDHIR & CO., Chartered Accountant were appointed as the Statutory Auditor of the company.

Their payment of remuneration are to be approved in the ensuing Annual General Meeting.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2020 is annexed herewith for your kind perusal and information.

LOANS, GUARANTEES AND INVESTMENTS

The Company has not provided Loans, Guarantee and not made any Investments under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2020.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company. And all the transactions were in compliance of Section 188 of the Companies Act, 2013

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy and Technology absorption

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 have not been furnished considering the nature of activities undertaken by the company during the year under review.

(B) Foreign exchange earnings and Outgo

There were no foreign exchange earnings and outgo during the year under review.

RISK MANAGEMENT

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

DIRECTORS and KMP

During the current financial year the following changes have occurred in the constitution of directors of the company:

Sr. No	Name	Designation	Date of appointment	Date of cessation	Mode of Cessation
1	RASHMI KAMLESH OTVANI	CS	-	30.05.2019	Resignation

Mr. Bhadreshkumar B. Shah has resigned from the company as on 22.05.2020.

DEPOSITS

The company has not accepted any deposits during the year.

CORPORATE SOCIAL RESPONSIBILITY

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

RATIO OF REMUNERATION TO EACH DIRECTOR

The Company is not paying Remuneration to any director.

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

INDEPENDENT DIRECTORS and DECLARATION

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Chirag Shah	Chairman	Non Executive Independent Director
Ms. Manjulaben Kothari	Member	Non Executive Independent Director
Mr. Bharat L. Shah	Member	Executive Director

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. Regularly review the Human Resource function of the Company
5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
6. Make reports to the Board as appropriate.
7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

REMUNERATION POLICY

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Non Executive Directors:

The Non Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

AUDIT COMMITTEE

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Chirag Shah	Chairman	Non Executive Independent Director
Mr. Bharat L. Shah	Member	Executive Director
Ms. Manjulaben Kothari	Member	Non Executive Independent Director

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report as provided by M/s Khushbu Trivedi & Associates, Practicing Company Secretary for the financial year ended, 31st March, 2020 is annexed herewith for your kind perusal and information.

There are qualifications or adverse remarks in the secretarial audit report for which the clarification / explanation are as per below:

Company is in process of appointment of internal auditor and Company Secretary. The Appointed company secretary had resigned on 30.05.2019, so we are in search of new company secretary.

The company will appoint one more director as and when find someone qualified for the board and shows willingness to work for the company.

COST AUDIT

The Cost Audit is not applicable to the company.

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the SEBI LODR, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report as required under Regulation 34 of the SEBI (LODR) has been attached and forms part of this report.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**FOR & ON BEHALF OF THE
BOARD OF DIRECTORS**

**Date: 27.11.2020
Place: Ahmedabad**

**S/d
CHIRAG SHAH
DIN : 08012494
(Director)**

**S/d
NRUPESH PANCHAL
DIN : 08184985
(Director)**

PURPLE ENTERTAINMENT LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Overall Review

The Growth of the company is stagnant but the company has planning to start its business activities in full fledged in upcoming years.

2. Financial Review

During the year the company has continue its activities and earned the gross profit of Rs. 1.96 Lacs.

3. Risk and Concern

Bullish trend in entertainment and media sector will give more opportunities to the company to open the doors in different ways and enhance the business networks which may positively affect the profitability of the company.

4. Internal Control System and their adequacy

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliance of guide lines and policies, adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management.

5. Environmental Issues

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

6. Financial Performance with Respect to Operation Performance

The Company has all the plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind borrowing where ever possible.

7. Cautionary Statement

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could

however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply

conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2020

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L55101GJ1974PLC084389
ii.	Registration Date	04/07/1974
iii.	Name of the Company	PURPLE ENTERTAINMENT LIMITED
iv.	Category/Sub-Category of the Company	PUBLIC, NON-GOVERNMENT COMPANY
v.	Address of the Registered office and contact details	30-B, THIRD FLOOR, AJANTA COMPLEX, INCOME TAX, ASHRAM ROAD, AHMEDABAD-380009 GUJARAT EMAIL- purpleentertainments7@gmail.com CONTACT NO- (O) 079-40069097
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	PURVA SHAREGISTRITY INDIA PVT. LTD. UNIT NO.9, SHIV SHAKTI IND. ESTT., J. R. BORICHA MARG, OPP. KASTURBA HOSPITAL LANE, LOWER PAREL (E), MUMBAI- 400 011 Email:- busicomp@vsnl.com Contact No.:-91-22-2301 6761/ 8261

Sub-total(A)(1):-	0	0	0	0	0	0	0	0	0
2) <i>Foreign</i>	0	0	0	0	0	0	0	0	-
g) NRIs- Individuals	0	0	0	0	0	0	0	0	-
h) Other- Individuals	0	0	0	0	0	0	0	0	-
i) Bodies Corp.	0	0	0	0	0	0	0	0	-
j) Banks / FI	0	0	0	0	0	0	0	0	-
k) Any Other....	0	0	0	0	0	0	0	0	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	-
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	-
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central Govt.	0	0	0	0	0	0	0	0	-
d) State Govt.(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
Sub-total(B)(1)	0	0	0	0	0	0	0	0	-
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	3300	0	3300	0.04	3300	0	3300	0.04	-
b) Individuals (i) Individual shareholders holding nominal share capital uptoRs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	375517 6812074	236892 82500	612409 6894574	7.08 79.74	774267 6414506	319392 0	1093659 6414506	12.65 79.19	5.57 -0.55
c) Others (HUF) Body corp.	1106032	2150 -	1108182	12.82	1104850	2150 -	1107000	12.80	-0.02

Clearing Members	27500	-	27500	0.32	27500	-	27500	0.32	
Sub-total(B)(2)	8324423	321542	8645965	100	8324423	321542	8645965	100	5.00
TotalPublicShareholding (B)=(B)(1)+(B)(2)	8324423	321542	8645965	100	8324423	321542	8645965	100	5.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	-
Grand Total (A+B+C)	8324423	321542	8645965	100	8324423	321542	8645965	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
NIL								

iii. Change in Promoters Shareholding (please specify, if there is no change)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness

	deposits			
Indebtedness at the beginning of the financial year	0	81077000	0	81077000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total(i+ii+iii)	0	81077000	0	81077000
Change in Indebtedness during the financial year	0			
- Addition		5036000		5036000
- Reduction				
Net Change	0	5036000	0	5036000
Indebtedness at the end of the financial year	0	86113000	0	86113000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	86113000	0	86113000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OtherOfficersInDefault					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FORM NO. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31-03-2020**

To,
The Members,
M/s. Purple Entertainment Limited.
Ahmedabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Purple Entertainment Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not Applicable to the Company during the Audit Period;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable to the Company during the Audit Period;-
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- Not Applicable to the Company during the Audit Period
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not Applicable to the Company during the Audit Period;-
- (i) Other laws applicable to the company are
 - 1. Income Tax Act, 1961
 - 2. Professional Tax
 - 3. Local Authority Registration at Municipal Corporation

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (From April 01, 2019 to March 31, 2020). The company was required to file the various compliances in the time limit.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following prima facie observations:

Appointment of Internal Auditor & Company Secretary should be done.

I further report that

The Board of Directors of the Company should be duly constituted the company needs to appoint required numbers of Executive & Non-Executive Directors including a woman director to comply with the provisions of Section 178 & 152(d) of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Ahmedabad
Date : 27.11.2020

S/d
Khushbu Trivedi & Associates
MEM NO- 9151.
C P No.9115
UDIN: F009151B001337797

APPENDIX - A

To,
The Members
M/s. Purple Entertainment Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit as presented by management to us.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date : 27.11.2020

S/d
Khushbu Trivedi & Associates
MEM NO- 9151.
C P No.9115:

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **Purple Entertainment Limited**

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of **Purple Entertainment Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2020, and the statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 March 31, 2020, and its Loss, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by 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 opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 31 of the financial statements, which describes that the potential impact of COVID-19 pandemic on the operations and financial statements of the company is dependent on future developments, which are uncertain.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

Information other than Financial Statements & Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis (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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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, changes in equity and cash flows of the Company in accordance with the Ind AS and 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements:

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 Act, 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 the 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .

- II. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Cash Flow Statement, Statement of changes in Equity 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 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in "**Annexure B**".

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company does not have any pending litigation which will have impact on the financial position of its 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number: 117014W

Sd/-
CA Sudhir S. Shah
Partner
Membership No. 115947
UDIN: 20115947AAAACB8932

Place: Ahmedabad
Date : 30/07/2020



“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph I under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of **Purple Entertainment Limited** (hereinafter referred to as the “Company”) for the year ended March 31, 2020:

1. (a) The Company is in the process of updation of proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has regular programme of physical verification of fixed assets by which all fixed assets are verified in phased manner over period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties , so this clause is not applicable to the company.
2. According to information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such physical verification during the year.
3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has not granted loan or made investment or given guarantee or provided security as provided in Section 185 and 186 of the Companies Act, 2013.
5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. The According to information and explanation given to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1) of the Companies Act,
7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
 - (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Duty of Customs, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
 - b) According to the information and explanations given to us, there are no material dues of income tax, GST and duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
8. The company has not defaulted in repayment of dues to Financial Institutions or banks or debenture holders.
9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and the term loans during the year.
10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in due compliance of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number: 117014W

Sd/-
CA Sudhir S. Shah
Partner
Membership No. 115947
UDIN: 20115947AAAACB8932

Place: Ahmedabad
Date : 30/07/2020

**“Annexure B” to the Independent Auditors’ Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Purple Entertainment Limited** (hereinafter referred to as the “Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems 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 Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose 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 transactions 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 accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (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

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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For, H S K & Co.
Chartered Accountants
ICAI Firm Registration Number: 117014W

Sd/-

CA Sudhir S. Shah
Partner
Membership No. 115947
UDIN: 20115947AAAACB8932

Place: Ahmedabad
Date : 30/07/2020

PURPLE ENTERTAINMENT LIMITED BALANCE SHEET AS AT 31ST MARCH, 2020			
(Rs. in Lakhs)			
Particulars	Notes	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
I ASSETS			
1) Non-current assets			
(a) Property, Plant and Equipment	3	4.02	7.47
(b) Capital work-in-progress		-	-
(c) Intangible assets		-	-
(d) Financial Assets			
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other Financial Assets		-	-
(e) Other non-current assets		-	-
Total Non -Current Assets		4.02	7.47
2) Current assets			
(a) Inventories	4	-	36.29
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	5	1.09	2.23
(iii) Cash and cash equivalents	6	114.86	427.36
(iv) Bank balances other than (ii) above	7	585.18	-
(v) Loans	8	1,034.05	1,198.82
(vi) Others		-	-
(c) Current Tax Assets (Net)	9	5.40	-
(d) Other current assets	10	4.30	6.06
Total Current Assets		1,744.88	1,670.76
TOTAL ASSETS		1,748.90	1,678.23
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity Share capital	11	864.60	864.60
(b) Other Equity	12	(2.45)	(0.15)
Total Equity		862.15	864.45
2) LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	710.77	710.77
(ii) Trade payables		-	-
(iii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	14	0.50	1.14
(d) Other Non Current Liabilities			
Total Non -Current Liabilities		711.27	711.91
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	50.36	-
(ii) Trade payables	16		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of trade payables other than micro and small enterprises		22.65	0.37
(iii) Other financial liabilities		-	-
(b) Other current liabilities	17	102.47	100.29
(c) Provisions		-	-
(d) Current Tax Liabilities (Net)		-	1.20
Total Current Liabilities		175.48	101.86
TOTAL EQUITY AND LIABILITIES		1,748.90	1,678.23
Significant Accounting Policies and Notes on Financial Statements	1 to 34		
As per our report of even date attached herewith			
For, H S K & Co. Chartered Accountants Firm Regd. No.117014W		For and on behalf of the Board	
Sd/- CA. Sudhir Shah Partner Membership No. 115947	Sd/- CHIRAG SHAH Whole Time Director DIN: 08012494	Sd/- NRUPESH PANCHAL Director DIN: 08184985	
Place : Ahmedabad Date : 30/07/2020	Place : Ahmedabad Date : 30/07/2020		

PURPLE ENTERTAINMENT LIMITED
Statement of Profit and loss for the period ended 31/03/2020

(Rs. In lakhs)

	Particulars	Notes	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
I	INCOME			
	Revenue from operations		-	-
	Other income	18	83.37	23.34
	Total Income		83.37	23.34
II	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	19	36.29	-
	Employee benefits expense	20	12.35	8.62
	Finance costs	21	0.37	-
	Depreciation and amortization expense	22	3.45	0.57
	Other expenses	23	28.95	8.17
	Total Expenses		81.41	17.36
III	Profit/(loss) before exceptional items and tax		1.96	5.98
IV	Exceptional Items			-
V	Profit/(loss) before tax (5-6)		1.96	5.98
VI	Tax Expenses			
	Current Tax		1.00	1.20
	Deferred Tax Provision / (Reversal)		(0.64)	0.72
	Short / (Excess) provision of IT of earlier years		3.90	-
VII	Profit/ (Loss) for the year		(2.30)	4.06
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss		-	-
	Income tax relating to items that will not be reclassified to profit or loss		-	-
	Items that will be reclassified to profit or loss		-	-
	Income tax relating to items that will be reclassified to profit or loss		-	-
IX	Total Comprehensive Income for the year		(2.30)	4.06
X	Earning per Equity Shares of Rs. 5 each			
	Basic		(0.03)	0.05
	Diluted		(0.03)	0.05
	Significant Accounting Policies and Notes on Financial Statements	1 to 34		

As per our report of even date attached herewith

For, H S K & Co.
Chartered Accountants
Firm Regd. No.117014W

For and on behalf of the Board

sd/-
CA. Sudhir Shah
Partner
Membership No. 115947

Sd/-
CHIRAG SHAH
Whole Time Director

Sd/-
NRUPESH PANCHAL
Director

Place : Ahmedabad
Date : 30/07/2020

Place : Ahmedabad
Date : 30/07/2020

PURPLE ENTERTAINMENT LIMITED
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(Rs. In lakhs)

Particulars	Note No.	Amount Rs.
Balance as on 1st April, 2018	11	864.60
Changes during the year		-
Balance as on 31st March, 2019	11	864.60
Changes during the year		-
Balance as on 31st March, 2020	11	864.60

B. Other Equity

(Rs. In lakhs)

Particulars	Reserves and Surplus			Total
	Capital Reserve	General Reserve	Retained Earning	
Balance As at March 31, 2018	-	-	(4.21)	(4.21)
Profit for the year			4.06	4.06
Balance as at 31st March, 2019	-	-	(0.15)	(0.15)
Profit for the year			(2.30)	(2.30)
Balance As at March 31, 2020			(2.45)	(2.45)

As per our Report of even date attached.

For, H S K & Co.

Chartered Accountants
Firm Regd. No.117014W

Sd/-

CA. Sudhir Shah

Partner
Membership No. 115947

Place : Ahmedabad
Date: 30/07/2020

For and on behalf of the Board of Directors

Sd/-
CHIRAG SHAH
Whole Time Director
DIN: 08012494

Place : Ahmedabad
Date: 30/07/2020

Sd/-
NRUPESH PANCHAL
Director
DIN: 08184985

3. Property, plant and equipment

(Rs. In lakhs)

Particular	Computer	Total
Property, Plant and Equipment		
Balance as at 31st March, 2018	11.45	11.45
Additions	-	-
Disposals	-	-
Reclassification as held for sale	-	-
Balance as at 31st March, 2019	11.45	11.45
Additions	-	-
Disposals	-	-
Reclassification as held for sale	-	-
Balance as at 31st March, 2020	11.45	11.45
Accumulated Depreciation		
Balance as at 31st March, 2018	3.41	3.41
Deduction & Adjustment	-	-
Depreciation for the period	0.57	0.57
Reclassification as held for sale	-	-
Balance as at 31st March, 2019	3.98	3.98
Deduction & Adjustment	-	-
Depreciation for the period	3.45	3.45
Reclassification as held for sale	-	-
Balance as at 31st March, 2020	7.43	7.43
Net carrying amount	-	-
Balance as at 31st March, 2019	7.47	7.47
Balance as at 31st March, 2020	4.02	4.02

4. Inventories

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Traded Goods	-	36.29
Total	-	36.29

5. Trade receivables

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Secured, considered good	-	-
Unsecured, considered good	1.09	2.23
Doubtful	-	-
Total	1.09	2.23

6. Cash and cash equivalents

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Balances with banks	53.64	365.68
Cash on hand	61.22	61.68
Total	114.86	427.36

7. Bank balances other than (ii) above

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Bank Deposits	585.18	-
Total	585.18	-

8. Other Current Financial Assets

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Unsecured and considered good		
Loans	1,034.05	1,198.82
Total	1,034.05	1,198.82

9. Current Tax Assets (Net)

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Advance Payment of Taxes (Net)	5.40	-
Total	5.40	-

10. Other Current Assets

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Unsecured and considered good		
Balance with Govt. Agencies	4.23	6.02
Advances other than capital advances	0.07	0.04
Total	4.30	6.06

11. Share Capital**11.1 Authorised Share Capital**

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Equity Share Capital Equity shares of Face Value Rs. 10 each 1,02,50,000 Equity Shares of Face Value of Rs.10 each as at March 31,2020 (1,02,50,000 Equity Shares of Face Value of Rs.10 each as at March 31,2019)	1,025.00	1,025.00
	1,025.00	1,025.00

11.2 Issued , Subscribed & Paid up Share Capital

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Equity Share Capital Equity shares of Face Value Rs. 10 each 86,45,965 Equity Shares of Face Value of Rs.10 each as at March 31,2020 .(86,45,965 Equity Shares of Face Value of Rs.10 each as at March 31,2019)	864.60	864.60
	864.60	864.60

11.3 Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2020 and March 31, 2019, is set out below:-

Particular	No.	As at	As at
		March 31, 2020 Rs.	March 31, 2019 Rs.
Equity shares			
At Beginning of the period	8645965 (8645965)	864.60	864.60
Add : Issued during the year	-	-	-
Less : Bought back during the year	-	-	-
At End of the period	8645965 (8645965)	864.60	864.60

11.4 Details of shareholders holding more than 5%

Name of the Equity Shareholder	As at end of period		As at beginning of period	
	No.	% holding in the class	No.	% holding in the class
Vaghela Prakash Kantilal	443551	5.13	-	-

11.5 Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

11.6 The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

11.7 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash :- Nil

11.8 Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil

11.9 Aggregate number and class of shares bought back :- Nil

11.10 Securities which are convertible into Equity Shares :- Nil

11.11 Aggregate Value of Calls unpaid by directors and officers :- Nil

12. Other Equity

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020 Rs.	March 31, 2019 Rs.
Surplus in Statement of Profit & Loss :		
Balance as per last financial Statement	(0.15)	(4.21)
Add : Profit \ (Loss) for the year	(2.30)	4.06
Total	(2.45)	(0.15)

13. Non-current borrowings

(Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020 Rs.	March 31, 2019 Rs.
Unsecured		
Inter Corporate Loans	710.77	710.77
Total	710.77	710.77

14. Deferred Tax Liabilities (Net) (Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Deferred Tax Liabilities		
Opening Balance	0.42	0.42
During the year adjustment	0.72	0.72
Total	1.14	1.14
Deferred Tax Assets		
During the year adjustment	0.64	-
Total	0.64	-
Total	0.50	1.14

15. Borrowings (Current) (Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Unsecured		
From Bank	50.36	-
Total	50.36	-

16. Trade Payables (Current) (Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Total outstanding dues of micro and small enterprises		
Total outstanding dues of trade payables other than micro and small enterprises	22.65	0.37
Total	22.65	0.37

The following disclosure have been made on the information available with the Company, for suppliers who are registered as micro and small enterprises under 'MSMED Act, 2006'

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
(a) Principal amount remaining unpaid to any supplier as at the end of accounting year	-	-
(b) Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
(c.) Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(d) Amount of interest due and payable for the reporting 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 the MSMED Act, 2006	-	-
(e.) Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(f) Amount of further interest remaining due and payable even in succeeding years, untill such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	-	-
This information is disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 which has been determined to the extent such parties have been identified on the basis of the information available with the company.		

17. Other Current liabilities (Rs. In lakhs)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Statutory Dues	2.47	0.29
Others	100.00	100.00
Total	102.47	100.29

18. Other income

(Rs. In lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Interest income	83.37	18.16
Profit on Sale of Investment	-	5.18
Total	83.37	23.34

19. Changes in Inventories of Finished goods, WIP and Waste

(Rs. In lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Closing Stock		
Traded Goods	-	36.29
Total	-	36.29
Opening Stock		
Traded Goods	36.29	36.29
Total	36.29	36.29
Total (Increase) / Decrease In Stock	36.29	-

20. Employee benefit expense

Particulars	Year Ended	Year Ended
	March 31, 2020	March 31, 2019
	Rs.	Rs.
Salaries and wages	0.63	7.61
Director Remuneration	11.31	-
Staff welfare expenses	0.41	1.01
Total	12.35	8.62

21. Finance costs

	Year Ended March 31, 2020	Year Ended March 31, 2019
Particulars	Rs.	Rs.
Interest expense	0.36	-
Bank Charges and Commission	0.01	-
Total	0.37	-

22. Depreciation and Amortisation expense

	Year Ended March 31, 2020	Year Ended March 31, 2019
Particulars	Rs.	Rs.
Depreciation	3.45	0.57
Total	3.45	0.57

23. Other expenses

	Year Ended March 31, 2020	Year Ended March 31, 2019
Particulars	Rs.	Rs.
Power and fuel	0.33	0.49
Audit Fees	0.90	0.25
Rent, Rates and taxes (excluding taxes on income)	1.80	1.80
Other Expenses	0.87	1.40
Legal & Professional Charges	25.05	4.23
Total	28.95	8.17

24. Earning Per Equity Share

	Year Ended March 31, 2020	Year Ended March 31, 2019
Particulars	Rs.	Rs.
Net Profit after tax attributable to Shareholders before Exceptional Items	(2.30)	4.06
Net Profit after tax attributable to Shareholders after Exceptional Item	(2.30)	4.06
Weighted average number of Equity Shares at the end of year.	8645965	8645965
Nominal Value of Share	10	10
Basic and diluted (before Exceptional Item) Earning per Share Rs.	(0.03)	0.05
Basic and diluted (after Exceptional Item) Earning per Share Rs.	(0.03)	0.05

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in Lakhs)

25	Payment to Auditors	Year Ended	Year Ended
		March 31, 2020	March 31, 2019
		Rs.	Rs.
	Audit fees	0.90	0.25
	Taxation matters	-	-
	Out of pocket expenses	-	-
	Others	0.10	-
	Total	1.00	0.25

26 Segment Reporting

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", which is considered to be the only reportable business segment.

27 Related Party Disclosures and Their Relatives

Related Party Disclosures as required by Accounting Standard Ind AS 24 issued by Institute of Chartered Accountants of India are given below:

1 Related Parties and Nature of Relationship

a) The Enterprises in which Key Managerial Personnel (KMP) and their relatives have significant influence:

Nil

b) Key Management Personnel:

Bharatkumar Lalchand Shah	Whole Time Director
Manjulaben Navinchandra Kothari	Director
Chirag Sudhirbhai Shah	Director
Panchal Nurpesh Kiritkumar	Director

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

Name of related party	Nature of Transaction	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Chirag Sudhirbhai Shah	Remuneration	4.86	-
Bharatkumar Lalchand Shah	Remuneration	6.45	-

(iii) Balances outstanding at each reporting date is Nil as at March 31,2020 (as at March 31,2019 is Nil)

28 Financial Risk Management - Objectives and Policies

The Company's financial liabilities comprise other than derivatives mainly of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, other balances with banks, loans, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities are exposed to Credit risk, Market risk and Liquidity risk.

The Board of directors of the Company are overall responsible for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by

internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and Loans , Advances

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. The company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management of the company.

Confirmation of balances from Debtors & Loans and Advances have been received and the same is being reconciled.

Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 114.86 lakh at March 31, 2020 (March 31, 2019: Rs. 427.36 lakh) The cash and cash equivalents are held with bank and cash on hand.

Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The company uses process costing to cost its products, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Investment Price Risk

The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increase/decrease of the index on the company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.

Particulars	Movement in Rate	Impact on PBT	
		Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
Mutual Funds (Quoted)	3%	-	-
Mutual Funds (Quoted)	-3%	-	-

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The company is not exposed to significant interest rate risk as at the specified reporting date.

Profit or loss is sensitive to higher/lower interest income from loans and advance given as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.

Particulars	Impact on PBT	
	Year Ended March 31, 2020 Rs.	Year Ended March 31, 2019 Rs.
50bp increase would decrease the profit before tax by	(3.81)	(3.55)
50bp decrease would increase the profit before tax by	3.81	3.55

29 Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

(Rs. In Lakhs)

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
	Borrowings	761.13
Less : Cash & Cash Equivalents Including investment in Liquid Fund.	(114.86)	-427.36
Net Debt (A)	646.27	283.41
Total Equity	862.15	864.45
Equity and Net Debt (B)	1,508.42	1,147.86
Gearing Ratio (A/B)	0.43	0.25

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period.

30 Financial Instruments - Fair Values & Risk Management

Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured 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.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1	The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2	Fair values 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.
3	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 the evaluation, allowances are taken to account for the expected losses of these receivables.
4	The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

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

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

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

As at 31st March, 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade receivables	-	-	1.09	1.09	-	-	-	-
Cash and Cash Equivalents	-	-	114.86	114.86	-	-	-	-
Bank balances other than (ii) above	-	-	585.18	585.18	-	-	-	-
Other Current Financial Loans	-	-	1,034.05	1,034.05	-	-	-	-
Total Financial Assets	-	-	1,735.18	1,735.18	-	-	-	-
Financial Liabilities								
Non Current Borrowings	-	-	710.77	710.77	-	-	-	-
Current Borrowings	-	-	50.36	50.36	-	-	-	-
Trade Payables	-	-	22.65	22.65	-	-	-	-
Total Financial Liabilities	-	-	783.78	783.78	-	-	-	-

As at 31st March, 2019	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Trade receivables	-	-	2.23	2.23	-	-	-	-
Cash and Cash Equivalents	-	-	427.36	427.36	-	-	-	-
Bank balances other than (ii) above	-	-	-	-	-	-	-	-
Other Current Financial Loans	-	-	1,198.82	1,198.82	-	-	-	-
Total Financial Assets	-	-	1,628.41	1,628.41	-	-	-	-
Financial Liabilities								
Non Current Borrowings	-	-	710.77	710.77	-	-	-	-
Current Borrowings	-	-	-	-	-	-	-	-
Trade Payables	-	-	0.37	0.37	-	-	-	-
Total Financial Liabilities	-	-	711.14	711.14	-	-	-	-

31 Impact of COVID 19 Pandemic:

The Company has assessed the probable impact of covid 19 pandemic. It has considered internal and external information available up to the date of approval of these financial results and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results. However, the assessment of Impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.

32 Recent Indian Accounting Standards (Ind AS)

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but which have not yet been adopted by the Company. Hence, the disclosure is not applicable.

33 Subsequent Events:

Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

34 Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

As per our report of even date attached.

For, H S K & Co.
Chartered Accountants
Firm Regd. No.117014W

Sd/-
CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad
Date : 30/07/2020

For and on behalf of Board of Directors

Sd/-
CHIRAG SHAH
**Whole Time Director
& Chief Financial Officer**
DIN: 08012494

Place : Ahmedabad
Date : 30/07/2020

Sd/-
NRUPESH PANCHAL
Director
DIN: 08184985

1. Company Information

Purple Entertainment Limited (the 'Company') is a public limited Company domiciled in India with its registered office at 30-B,3rd Floor , Ajanta Complex, Income Tax , Ashram Road, Ahmedabad Gujarat - 38009 (India). The equity shares of the Company are listed on BSE Limited (BSE),.

The Company is principally engaged in the business of Financial Service , Investment , Trading in Shares, Mutual Fund, Other Security.

The financial statements as at March 31, 2020 present the financial position of the Company.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on July 30, 2020.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(ii) Basis of Preparation and presentation

The financial statements have been prepared and presented on the going concern basis and at historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- a) Certain financial assets/liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- b) Any other item as specifically stated in the accounting policy.

(iii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(iv) Classification of Assets and Liabilities as Current and Non- Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

(iv) Rounding off amounts

The financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 1,00,000) as per the requirement of Schedule III, unless otherwise stated.

2.2 Key accounting estimates & judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

2.2.1 Critical accounting estimates

a. Useful lives and residual values of Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

b. Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

c. Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

d. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.3 Property, Plant and Equipment (PPE)

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not depreciated. Cost includes purchase price after deducting trade discount/rebate, import duties, non-refundable taxes, Net of GST input credit wherever applicable, cost of replacing the component parts, borrowing costs and other directly attributable cost of bringing the asset to its working condition in the manner intended by the management.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

De-recognised upon disposal

An item of PPE is derecognised on disposal or when no future economic benefits are expected from use or disposal. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss when asset is derecognised.

Depreciation

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

The Company depreciates its property, plant and equipment (PPE) over the useful life as per Straight Line Method in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act,

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.4 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.5 Leases

Effective from April 1, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on April 1, 2019 using the modified retrospective method on the date of initial application i.e. April 1, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease are recognized payments associated with these leases as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and

periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently amortised using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be amortised over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method

2.6 Borrowing Cost

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.7 Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and other intangible assets to determine whether there is any indication that

these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.8 Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

2.9 Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.10 Employees Benefits

a) Employee Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Post-employment obligations

The Company have the following post-employment schemes:

- (i) Defined benefit plans such as gratuity and;
- (ii) Defined contribution plans such as provident fund.

(i) Defined benefit plans-Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations when liability to pay arise . The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

2.11 Provisions, Contingent Liability and Contingent Assets

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax, Excise, GST etc.) pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts. However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability. No contingent asset is recognized but disclosed by way of notes to accounts.

2.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc.

Sale of Goods

Revenue from sale of goods is recognized, when all significant risks and rewards are transferred to the buyer, as per the terms of the contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes excise duty and excludes value added tax/sales tax/GST. It is measured at fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from rendering of services is recognized as per the terms of the contract with customers when related services are performed and when the outcome of the transactions involving rendering of services can be estimated reliably.

Dividend Income

Dividend Income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Interest Income

Interest Income on financial assets measured at amortised cost is recognised on a time-proportion basis using the effective interest method.

Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2.13 Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the IND AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and book overdrafts. However, Book overdrafts are shown within borrowings in current liabilities in the balance sheet for the purpose of presentation

2.14 Earnings per share

(i) 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.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take 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.

2.15 Segment Reporting

Based on "Management Approach" as defined in IND AS 108 – Operating Segments, the Management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.16 Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.17 Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in trade, goods in transit and finished goods are valued at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis and is net of credits under GST/CENVAT/VAT.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Traded goods includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

2.18 Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

2.19 Financial Instruments

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

PURPLE ENTERTAINMENT LIMITED

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2020

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations,2016]

(Amount in Rupees Lakhs)

I.	SL No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	83.37	83.37
	2.	Total Expenditure	81.41	81.41
	3.	Net Profit/(Loss)	(2.30)	(2.30)
	4.	Earnings Per Share	0.03	0.03
	5.	Total Assets	1748.90	1748.90
	6.	Total Liabilities	886.75	886.75
	7.	Net Worth	862.15	862.15
	8.	Any other financial item(s) (as felt appropriate by the management)		

II.

Audit Qualification (each audit qualification separately):

- a. **Details of Audit Qualification: N.A**
- b. **Type of Audit Qualification :N.A**
- c. **Frequency of qualification: N.A**
- d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:N.A**
- e. **For Audit Qualification(s) where the impact is not quantified by the auditor:N.A**
 - (i) **Management's estimation on the impact of audit qualification:**
 - (ii) **If management is unable to estimate the impact, reasons for the same:**

(iii) Auditors' Comments on (i) or (ii) above

III.

Signatories:

For, PURPLE ENTERTAINMENT LIMITED

S/d
CHIRAG SHAH
DIRECTOR
DIN: 08012494

S/d
NRUPESH PANCHAL
DIRECTOR
DIN: 08184985

S/d
SUDHIR S. SHAH
M/S. HARSHAD SUDHIR & CO.
CHARTERED ACCOUNTANTS

Place: AHMEDABAD
Date: 30-07-2020

ATTENDANCE SLIP

I/We.....R/o.....
hereby record my/our presence at the Annual General Meeting of the Company on Saturday, 19th day of December, 2020 at 02.00 P.M at 30-B, Third Floor, Ajanta Complex, Income Tax, Ashram Road, Ahmedabad-380009 Gujarat .

DPID * :	Folio No. :
Client Id * :	No. of Shares :

* Applicable for investors holding shares in electronic form.

Signature of
shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
3. Electronic copy of the Annual Report for 2020 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
4. Physical copy of the Annual Report for 2020 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L55101GJ1974PLC084389

Name of the Company: **PURPLE ENTERTAINMENT LIMITED**

Registered office: **30-B, THIRD FLOOR, AJANTA COMPLEX, INCOME TAX, CHAR RASTA,
ASHRAM ROAD AHMEDABAD-380009**

NAME OF THE MEMBER(S):

REGISTERED ADDRESS:

E-MAIL ID:

FOLIO NO/ CLIENT ID:

I/ We being the member of, holding.....shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

E-mail Id:

Signature:,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of members of the Company, to be held on Saturday, 19st day of December, 2020 at 02:00 P.M at the registered office of the Company at 30-B, THIRD FLOOR, AJANTA COMPLEX, INCOME TAX, CHAR RASTA, ASHRAM ROAD AHMEDABAD-380009 and at any adjournment thereof in respect of such resolutions as are indicated below:

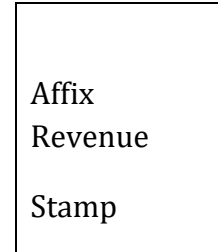
Resolution No.

1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2020 and Balance sheet as at that date together with Directors Report and Auditors Report thereon

Signed this day of..... 2020

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.