

**CIN-U17301PB1997PTC020381**

**NOTICE**

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of M/s Madhur Knit Crafts (P) Ltd, Ludhiana will be held on Thursday 29<sup>th</sup> day of September, 2022 at its Registered Office - 87, Purani Kotwali, Ludhiana to transact the following business: -

**ORDINARY BUSINESS**

1. To Receive, consider and adopt the financial statements for the period ending on 31<sup>st</sup> March, 2022 and the report of Auditors and Directors thereon
2. Any other matter with the permission of the Chair.

**NOTES**

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the company. The instrument appointing the proxy should however be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.
- b) A Copy of Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Board's Report and Auditor's Report thereon are enclosed herewith.

For MADHUR KNIT CRAFTS (P) LTD.



DIRECTOR

PLACE: LUDHIANA

DATED: 01.09.2022

Regd. Office:

87, Purani Kotwali, Ludhiana

CIN-U17301PB1997PTC020381

## ATTENDANCE SLIP

Name of the Member: \_\_\_\_\_

Name of the Proxy holder: \_\_\_\_\_

Member's Folio No.: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

I hereby record my presence on behalf of \_\_\_\_\_ (Myself/Name of the Shareholder on whose behalf the person is attending as Proxy or Nominee) at the Meeting of Equity Shareholders of the Company held on Thursday, 29<sup>th</sup> September, 2022 at 11 A.M. at the Registered Office of the Company at 87 Purani Kotwali, Chaura Bazar, Ludhiana (PB) – 141008.

\_\_\_\_\_  
**Signature of the Attendee/Shareholder/Proxy**

**Note:** Members/Proxy Holders are requested to produce the attendance slip duly signed for admission to the meeting venue.

**Form No. MGT 11**

**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: U17301PB1997PTC020381  
Name of the company: MADHUR KNIT CRAFTS PRIVATE LIMITED  
Registered office: 87 PURANI KOTWALI, CHAURA BAZAR, LUDHIANA (PB) - 141008

Name of the member(s): Registered address: E-mail Id: Folio No./ Client Id : DP ID:
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I/We being the member(s) of ..... Shares of the above named company, 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 my/our behalf at the \_\_\_\_\_ Extraordinary General Meeting of the Company, to be held on the \_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ am/pm at \_\_\_\_\_ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.  
1.....

Signed this \_\_\_\_ day of \_\_\_\_ 2022

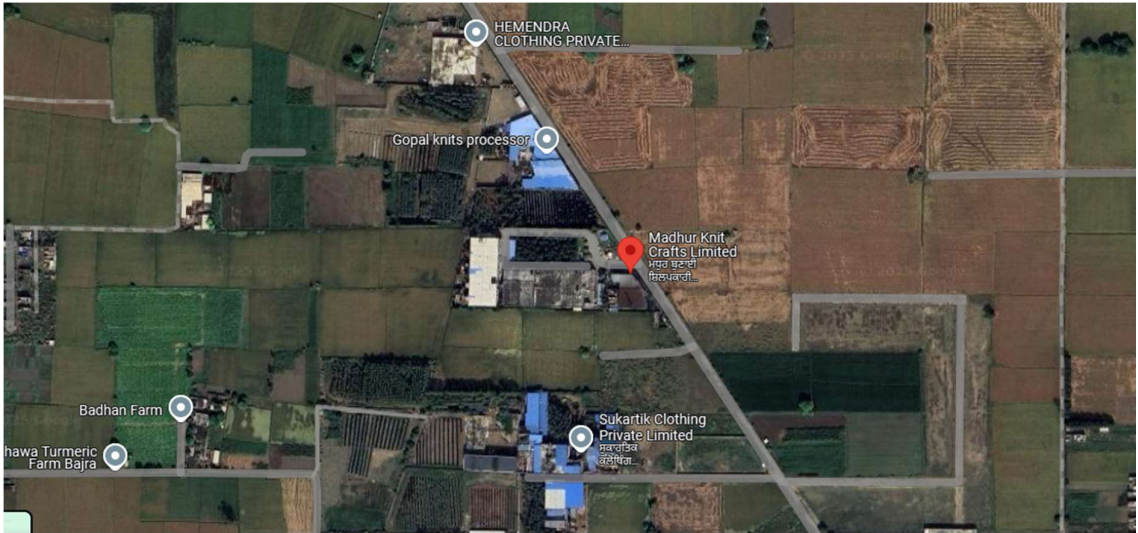
Signature of shareholder

Signature of Proxy holder's)

Affix Revenue Stamp
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**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

ROUTE MAP



CIN-U17301PB1997PTC020381

## DIRECTOR'S REPORT

To

The Members,

Madhur Knit Crafts Private Limited,

Ludhiana.

The Directors have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

### 1. Financial summary or highlights/Performance of the Company

The Board's Report has been prepared based on the stand alone financial statements of the company.

Particulars	2021-2022	2020-2021
Gross Income	77,42,40,724.83	66,92,72,788.44
Profit Before Interest and Depreciation (PBIDT)	5,06,29,631.32	5,20,99,881.36
Finance Charges	2,94,86,716.68	3,26,06,945.94
Provision for Depreciation	1,55,39,776.00	1,41,30,147.00
Net Profit Before Tax (PBT)	60,31,074.03	53,62,788.42
Provision for Tax	9,77,000.00	9,60,000.00
Net Profit After Tax	50,54,074.03	44,02,788.42

The company has achieved a revenue of Rs. 77,42,40,724.83 in the current year where as it was Rs. 66,92,72,788.44 in the previous year. Profit before tax is now Rs. 60,31,074.03 which was Rs. 53,62,788.42 in previous year. The profit after tax for the current year is Rs. 50,54,74.03 compared to Rs. 44,02,788.42 in the previous year. The future prospects of the company seem to be bright.

For Madhur Knit Crafts (P) Ltd.

  
Director

**CIN-U17301PB1997PTC020381**

**2. Brief description of the Company's working during the year/State of Company's affair**

The Company is engaged in manufacturing of Mink Blankets & Knitted Cloth & Fabrics. The unit has achieved the sales target of Rs.77,42,40,724.83. The further prospects seem to be very bright for the Company.

**3. Dividend**

The Directors do not recommend dividend for the year ended 31<sup>st</sup> March, 2022. The Company prefers to reinvest all of its earnings back into the company for further growth of the business.

**4. Reserves**

The amounts which the Board proposes to carry to any other reserves. **NIL**

**5. Industrial Relation**

Industrial relation continues to be cordial. Your director's express deep appreciation for the dedicated services rendered by workers, staff officers of the company.

**6. Share Capital**

There is no issue of further capital during the year.

**7. Directors' Responsibility Statement**

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors confirm 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;

For Madhur Knit Crafts (P) Ltd.

  
Director

**CIN-U17301PB1997PTC020381**

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down interim financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (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.

**8. Meetings**

During the financial year, Eight (8) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
08.04.2021	7	7
17.06.2021	7	7
19.08.2021	7	7
30.09.2021	7	7
29.11.2021	7	7
30.12.2021	7	7
28.01.2022	7	7
24.03.2022	7	7

**9. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is enclosed as Annexure – I to this report

**10. Details of Subsidiary/Joint Ventures/Associate Companies**

The Company does not have any Subsidiary/Joint Ventures/Associate Companies.

For Madhu Knit Crafts (P) Ltd.  
  
Director

CIN-U17301PB1997PTC020381

**11. Particulars of loans, guarantees or investments under section 186**

No loans, Guarantees were given and no investments made during the Financial year ended 31<sup>st</sup> March, 2020.

**12. Particulars of contracts or arrangements with related parties:**

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 is enclosed as Annexure – II to this report.

**13. Particulars of Employees and related disclosures**

None of the employees of the company were in receipt of remuneration of not less than Rs. 60 lakhs during the year or Rs. 5 lakhs per month during any part of the said year in terms of the provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) of Companies Rules, 2014.

**14. Directors and Key Managerial Personnel**

The work and assistance of the directors is very appreciable.

**15. Auditors**

At the 20<sup>th</sup> Annual General Meeting held on 30.09.2017, M/s LALIT K. GUPTA & CO, Chartered Accountants, KHANNA were appointed as Statutory auditors of the Company to hold office till the conclusion of the 6<sup>th</sup> Annual General Meeting.

**16. Auditor's Report**

The Notes to Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Auditors' report does not contain any major qualification, reservation or adverse remark.

For Madhur Knit Crafts (P) Ltd.

  
Director

**CIN-U17301PB1997PTC020381**

**17. Disclosure about Cost Audit**

As per the Cost Audit Orders, Cost Audit is applicable to the Company.

**18. Risk Management**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal and reckoned as non-consequential in nature.

**19. Material changes and commitments affecting financial position between the end of the financial year and date of report**

There are no material changes which have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which affects financial position of the company.

**20. Deposits**

The Company has complied with all provisions relating to deposits, covered under Chapter V of the Act. During the year Company has not accepted any deposits.

**21. Obligation of Company under the Sexual Harassment of Women at workplace (Prevention, Prohibition And Redressal) Act, 2013**

In order to prevent sexual harassment of women at work place, a new act "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" has been notified on 9<sup>th</sup> December, 2013. Under the said Act, every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year, Company has not received any complaint of harassment.

For Madhur Knit Crafts (P) Ltd.  
  
Director

**22. Conservation of energy, technology absorption & foreign exchange earnings and outgo**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

**a) Conservation of energy**

(i) **Measure Taken:-**

Energy saving devices have been installed.

(ii) **Impact of Above Measures:-**

By mentioned process, consumption of electricity and costly of production are likely to go down.

(iii) **Total Energy Consumption**

Power and fuel	Rs 1,12,95,288.84
Boiler Expenses	Rs 1,14,65,485.50
<b>TOTAL</b>	<b>Rs. 2,27,60,774.34</b>

ITEM	Quantity Issued (Kgs.)	Consumption (Rs. per Kgs)
Yarn	10,87,570.450	6.24
Knitted Cloth	25,58,702.520	
<b>TOTAL</b>	<b>36,46,272.97</b>	

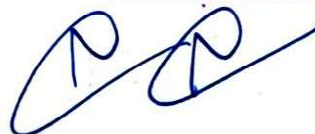
**(b) Technology absorption**

The research and experiments are carried on as part of the normal business activities, as such no separate figures are available.

**23. Foreign exchange earnings and Outgo**

Your directors draw attention of the members to Note No- II Point No. 13,14 to the financial statement which states expenditure in foreign currency and earning in foreign currency respectively. There is NIL foreign currency expenditure during the year.

For Madhur Knit Crafts (P) Ltd.



  
Director

**CIN-U17301PB1997PTC020381**

**24. Acknowledgement**

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

For MADHUR KNIT CRAFTS (P) LTD.



DIRECTOR

PLACE: LUDHIANA

DATED:01.09.2022

Regd. Office:

87, Purani Kotwali, Ludhiana

CIN-U17301PB1997PTC020381

**CIN-U17301PB1997PTC020381**

**ANNEXURE INDEX**

<b><u>Annexure</u></b>	<b>Content</b>
i.	Annual Return Extracts in MGT 9
ii.	AOC 2 – Related Party Transactions disclosure

For Madhur Knit Crafts (P) Ltd

Director



CIN-U17301PB1997PTC020381

**Annexure - II**  
**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule.8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship .	<ul style="list-style-type: none"><li>• Trimurti Hosiery Mills Pvt. Ltd.</li><li>• National Yarn Agency</li></ul>
b)	Nature of contracts/arrangements/ transaction	Sale, purchase, of supply of any goods, or materials, selling or otherwise disposing of, or buying leasing of property of any kind, availing or rendering of any services, appointment for purchase or sale of goods, material, services or property or any other transaction.
c)	Duration of the contracts/arrangements/ transaction	April 01, 2020 to March 31, 2022
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	At Arm's length Price
e)	Date of approval by the Board	At AGM dated 27.09.2014
f)	Amount paid as advances, if any	There are advances paid during the year and interest has been received at rates not prejudicial to the company. However, inter-corporate deposits have been taken in compliance with the provisions of Companies Act, 2013.

For MADHUR KNIT CRAFTS (P) LTD.

PLACE: LUDHIANA

  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

**DETAILS OF EQUITY SHARES AS ON 31.03.2022**

Sr. No.	Name & Address of Allottee	LEDGER FOLIO	Father's Name/ Husband Name	Occupation	Address	Type of Shares	No. of Shares	Rate Per Share	Total Value of Equity
1	Kastoor Chand Gupta	6	Sh. Bhola Ram	Business	87-88K, Sarabha Nagar, Ludhiana	Equity	4,27,750	10.00	42,77,500.00
2	Kastoor Chand Gupta HUF	10		Business	87-88K, Sarabha Nagar, Ludhiana	Equity	3,59,740	10.00	35,97,400.00
3	Sulochna Gupta	5	Sh. Kastoor Chand Gupta	House Wife	87-88K, Sarabha Nagar, Ludhiana	Equity	6,33,000	10.00	63,30,000.00
4	Arun Gupta	3	Sh. Kastoor Chand Gupta	Business	87-88K, Sarabha Nagar, Ludhiana	Equity	7,84,570	10.00	78,45,700.00
5	Arun Gupta HUF	11		Business	87-88K, Sarabha Nagar, Ludhiana	Equity	6,42,400	10.00	64,24,000.00
6	Sangeeta Gupta	8	Sh. Arun Gupta	House Wife	87-88K, Sarabha Nagar, Ludhiana	Equity	8,37,450	10.00	83,74,500.00
7	Piyush Gupta	12	Sh. Arun Gupta	Business	87-88K, Sarabha Nagar, Ludhiana	Equity	4,75,600	10.00	47,56,000.00
8	Nikita Gupta	27	Sh. Piyush Gupta	House Wife	87-88K, Sarabha Nagar, Ludhiana	Equity	100	10.00	1,000.00
9	Rajesh Gupta	1	Sh. Kastoor Chand Gupta	Business	2783, Gurdev Nagar, Ludhiana	Equity	17,19,270	10.00	1,71,92,700.00
10	Rajesh Gupta HUF	13		Business	2783, Gurdev Nagar, Ludhiana	Equity	1,39,950	10.00	13,99,500.00
11	Rashmi Gupta	7	Sh. Rajesh Gupta	House Wife	2783, Gurdev Nagar, Ludhiana	Equity	12,500	10.00	1,25,000.00
12	Vishnu Gupta	2	Sh. Kastoor Chand Gupta	Business	2783, Gurdev Nagar, Ludhiana	Equity	16,05,000	10.00	1,60,50,000.00
13	Vishnu Gupta HUF	14		Business	2783, Gurdev Nagar, Ludhiana	Equity	1,80,100	10.00	18,01,000.00
14	Anita Gupta	9	Sh. Vishnu Gupta	House Wife	2783, Gurdev Nagar, Ludhiana	Equity	8,500	10.00	85,000.00
15	Ravi Gupta	4	Sh. Kastoor Chand Gupta	Business	87-88K, Sarabha Nagar, Ludhiana	Equity	8,85,820	10.00	88,58,200.00
16	Ravi Gupta HUF	15		Business	87-88K, Sarabha Nagar, Ludhiana	Equity	9,40,050	10.00	94,00,500.00
17	Anju Gupta	16	Sh. Ravi Gupta	Business	87-88K, Sarabha Nagar, Ludhiana	Equity	5,000	10.00	50,000.00
18	Trimurti Hosiery Mills Pvt. Ltd.	17		Company	87, Purani Kotwaili, Ludhiana	Equity	27,000	10.00	2,70,000.00
19	Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta Through National Yarn Agency	18		Business	Madhopuri, Ludhiana	Equity	16,200	10.00	1,62,000.00
							<b>97,00,000</b>		<b>9,70,00,000.00</b>

For MADHUR KNIT CRAFTS PRIVATE LIMITED

DIRECTOR

DIRECTOR

**Form MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31/03/2022  
[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 U17301PB1997PTC020381
- ii) Registration Date 21/08/1997
- iii) Name of the company MADHUR KNIT CRAFTS PRIVATE LIMITED
- iv) Category of the Company Private Company
- Sub Category of the Company Limited by Shares
- v) Address of the Registered office and contact details 87, PURANI KOTWALI, CHAURA BAZAAR, LUDHIANA, PUNJAB, INDIA, 141008
- vi) Whether listed company  YES  NO
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any Registrar of companies, Corporate Bhawan, Plot No. 4B, Sector 27B, Madya Marg, Chandigarh-160019 Phone 0172-2639415,2639416 Fax:0172-2639416 roc.chandigarh@mca.gov.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
MANUFACTURING OF MINK BLANKET BUSINESS	13926	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

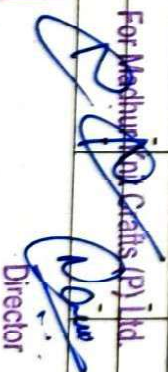
NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
NIL	NIL	NIL	NIL	NIL

For Madhur Knit Crafts (P) Ltd  
  
Director

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
 (1) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>	-	-	-	-	-	-	-	-	-
<b>(1) Indian</b>	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	9700000	9700000	100.00	-	9700000	9700000	100.00	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	9700000	9700000.00	100.00	-	9700000	9700000.00	100.00	-
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / Fl	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	9700000	9700000.00	100.00	-	9700000	9700000.00	100.00	-
<b>B. Public Shareholding</b>	-	-	-	-	-	-	-	-	-
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

For Mepham Kot Crafts (P) Ltd

  
 Director

FOR BANK

MADHUR KNIT CRAFTS PVT. LTD.,  
LUDHIANA

BALANCE SHEET AS AT 31.3.2022

## *Independent Auditor's Report*

To the Members of  
MADHUR KNIT CRAFTS PVT. LTD.  
LUDHIANA.

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **M/S MADHUR KNIT CRAFTS PVT. LTD.** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss and Cash Flow Statement 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit/loss and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Information other than the financial statements and auditors' report thereon**

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

For Madhur Knit Crafts Pvt. Ltd.

  
Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

  
Director/ Auth. Sign.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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.

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

## **Auditor's Responsibility**

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. 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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure II.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

Place: KHANNA  
Date : 01.09.2022



For LALIT K. GUPTA & CO.  
CHARTERED ACCOUNTANTS  
FRN: 004404N

*(Signature)*  
(CA LALIT KUMAR GUPTA)

**PARTNER**

Membership No. : 083530

UDIN -22083530ASMUGY2758

For Madhur Knit Crafts Pvt. Ltd.

*(Signature)*

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

*(Signature)*

Director/ Auth. Sign.

## MADHUR KNIT CRAFTS PVT. LTD., LUDHIANA

**The Annexure I referred to in paragraph 1 of the Our Report of even date to the members of MADHUR KNIT CRAFTS PVT. LTD. on the accounts of the company for the year ended 31<sup>st</sup> March, 2022.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions have not been provided to us. Hence, we are not in a position to comment.

3. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.

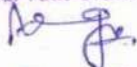
For Madhur Knit Crafts Pvt. Ltd.  
  
Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.  
  
Director/ Auth. Sign.

4. (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
6. As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and such accounts and records have been so made and maintained;
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
8. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.  
  
(c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.  
  
(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.  
  
(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2022. Accordingly, clause 3(ix)(e) is not applicable.  
  
(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2022. Accordingly, clause 3(ix)(f) is not applicable.

10. (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (2) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistleblower complaints had been received by the company
12. The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
14. (a) In our opinion and based on our examination, the company does not require to have an internal audit system. Accordingly, clause 3(xiv)(a), of the Order is not applicable.
- (b) Based on information and explanations provided to us, no internal audit had been conducted of the company. Accordingly, clause 3(xiv)(a), of the Order is not applicable.
15. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

17. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
20. Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
21. The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

Place: KHANNA  
Date :01.09.2022



For LALIT K. GUPTA & CO.

**Chartered Accountants**

FRN: 004404N

(CA LALIT KUMAR GUPTA)

**Partner**

Membership No. : 083530

UDIN-22083530ASMUGY2758

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

**MADHUR KNIT CRAFTS PVT. LTD., LUDHIANA**

**The Annexure II to our report of even date**

**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 **MADHUR KNIT CRAFTS Pvt. Ltd.** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the period 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 the internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**


Our responsibility is to express an opinion on 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about adequacy of internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of over financial reporting, assessing the risk that a material weakness exists, and testing evaluating the design and operating effectiveness of internal controls 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.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

### Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: KHANNA  
Date : 01.09.2022



For LALIT K. GUPTA & CO.  
Chartered Accountants

FRN: 004404N

(CA LALIT KUMAR GUPTA)

Partner

Membership No. : 083530

UDIN-22083530ASMUGY2758

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

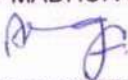
**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**BALANCE SHEET AS AT 31.03.2022**


	<b>Particulars</b>	<b>Note No.</b>	<b>Figures as at the end of current reporting period</b>	<b>Figures as at the end of the previous reporting period</b>
<b>I.</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders' funds</u></b>			
	(a) Share capital	<b>1</b>	9,70,00,000.00	9,70,00,000.00
	(b) Reserve and surplus	<b>2</b>	5,18,92,529.01	4,69,07,416.46
	(c) Money received against warrants		-	-
<b>2</b>	<b><u>Share application money pending allotment</u></b>		-	-
<b>3</b>	<b><u>Non-current liabilities</u></b>			
	(a) Long term Borrowings	<b>3</b>	7,52,53,626.13	7,54,69,161.84
	(b) Deferred tax liabilities (net)		43,40,000.00	43,38,000.00
	(c) Other long term liabilities			
	(d) Long term provisions			
<b>4</b>	<b><u>Current liabilities</u></b>			
	(a) Short-term borrowing	<b>4</b>	22,25,56,744.65	20,98,48,043.95
	(b) Trade payables	<b>5</b>	14,77,76,211.30	23,36,53,550.20
	(A) total outstanding dues of micro enterprises and small enterprises			
	(B) total outstanding dues of Creditors other than micro enterprises and small enterprises			
	(c) Other current liabilities	<b>6</b>	42,19,001.00	67,01,138.00
	(d) Short-term provisions	<b>7</b>	9,75,000.00	8,50,000.00
	<b>Total</b>		<b>60,40,13,112.09</b>	<b>67,47,67,310.45</b>
<b>II</b>	<b><u>ASSETS</u></b>			
	<b><u>NON CURRENT ASSETS</u></b>			
<b>1</b>	(a)(i) Property, Plant & Equipment	<b>8</b>	16,27,83,311.00	16,54,32,152.00
	(ii) Intangible assets	<b>9</b>	65,203.00	86,938.00
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under Development		-	-
	(b) Non-current investment	<b>10</b>	-	6,00,000.00
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	<b>11</b>	26,65,921.00	26,65,921.00
	(e) Other non-current assets		-	-
<b>2</b>	<b><u>Current assets</u></b>			
	(a) Current investment		-	-
	(b) Inventories	<b>12</b>	25,23,39,918.00	23,24,38,269.58
	(c) Trade receivables	<b>13</b>	15,28,92,964.26	21,07,21,529.11
	(d) Cash and cash equivalents	<b>14</b>	66,14,824.78	64,58,016.75
	(e) Short-term loans and advances	<b>15</b>	2,66,50,970.05	5,63,64,484.01
	(f) Other current assets		-	-
	<b>Total</b>		<b>60,40,13,112.08</b>	<b>67,47,67,310.45</b>

**Accounting Notes:-**

Significant Accounting Policies **I**  
Notes on Financial Statements **II**

For MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA

  
**(ARUN GUPTA)**  
DIRECTOR

  
**(VISHNU GUPTA)**  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

Note 1

**Authorised, Issued & paid up capital**

Share Capital	As at 31 March 2022		As at 31 March 2021	
	Number	Amount	Number	Amount
<b>Authorised</b>				
1,00,00,000 Equity Shares of Rs. 10 each	1,00,00,000	10,00,00,000.00	1,00,00,000	10,00,00,000.00
<b>Issued, Subscribed &amp; Paid up</b>				
97,00,000 Equity Shares of Rs. 10 each	97,00,000	9,70,00,000.00	97,00,000	9,70,00,000.00
<b>Total</b>	<b>97,00,000</b>	<b>9,70,00,000.00</b>	<b>97,00,000</b>	<b>9,70,00,000.00</b>

**List of Shareholders holding more than 5% share capital**

Name of Shareholders	No of Share	%	Value/Share	Total Value
Vishnu Gupta	16,05,000	16.55%	10.00	1,60,50,000
Ravi Gupta	8,85,820	9.13%	10.00	88,58,200
Arun Gupta	7,84,570	8.09%	10.00	78,45,700
Rajesh Gupta	17,19,270	17.72%	10.00	1,71,92,700
Sulochna Gupta	6,33,000	6.53%	10.00	63,30,000
Kastoor Chand Gupta	4,27,750	4.41%	10.00	42,77,500
Ravi Gupta HUF	9,40,050	9.69%	10.00	94,00,500
Anita Gupta	8,500	0.09%	10.00	85,000
Sangeeta Gupta	8,37,450	8.63%	10.00	83,74,500
Anju Gupta	5,000	0.05%	10.00	50,000
Arun Gupta HUF	6,42,400	6.62%	10.00	64,24,000
<b>TOTAL</b>	<b>84,88,810</b>	<b>87.51%</b>		<b>8,48,88,100</b>

**NOTE 1A. SHARES HELD BY PROMOTORS**

Current Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Kastoor Chand Gupta	4,27,750	4.41%	-
2	Kastoor Chand Gupta HUF	3,59,740	3.71%	-
3	Sulochna Gupta	6,33,000	6.53%	-
4	Arun Gupta	7,84,570	8.09%	-
5	Arun Gupta HUF	6,42,400	6.62%	-
6	Sangeeta Gupta	8,37,450	8.63%	-
7	Piyush Gupta	4,75,600	4.90%	-
8	Nikita Gupta	100	0.00%	-
9	Rajesh Gupta	17,19,270	17.72%	-
10	Rajesh Gupta HUF	1,39,950	1.44%	-
11	Rashmi Gupta	12,500	0.13%	-
12	Vishnu Gupta	16,05,000	16.55%	-
13	Vishnu Gupta HUF	1,80,100	1.86%	-
14	Anita Gupta	8,500	0.09%	-

For Madhur Knit Crafts Pvt. Ltd.

*A.S.G.*

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

*[Signature]*

Director/ Auth. Sign.

15	Ravi Gupta	8,85,820	9.13%	-
16	Ravi Gupta HUF	9,40,050	9.69%	-
17	Anju Gupta	5,000	0.05%	-
18	Trimurti Hosiery Mills Pvt. Ltd.	27,000	0.28%	-
19	Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta Through National Yarn Agency	16,200	0.17%	-
	<b>TOTAL</b>	<b>97,00,000</b>	<b>100.00%</b>	<b>-</b>

Previous Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Kastoor Chand Gupta	4,27,750	4.41%	-
2	Kastoor Chand Gupta HUF	3,59,740	3.71%	-
3	Sulochna Gupta	6,33,000	6.53%	-
4	Arun Gupta	7,84,570	8.09%	-
5	Arun Gupta HUF	6,42,400	6.62%	-
6	Sangeeta Gupta	8,37,450	8.63%	-
7	Piyush Gupta	4,75,600	4.90%	-
8	Nikita Gupta	100	0.00%	-
9	Rajesh Gupta	17,19,270	17.72%	-
10	Rajesh Gupta HUF	1,39,950	1.44%	-
11	Rashmi Gupta	12,500	0.13%	-
12	Vishnu Gupta	16,05,000	16.55%	-
13	Vishnu Gupta HUF	1,80,100	1.86%	-
14	Anita Gupta	8,500	0.09%	-
15	Ravi Gupta	8,85,820	9.13%	-
16	Ravi Gupta HUF	9,40,050	9.69%	-
17	Anju Gupta	5,000	0.05%	-
18	Trimurti Hosiery Mills Pvt. Ltd.	27,000	0.28%	-
19	Sangeeta Gupta, Vishnu Gupta, Rajesh Gupta Through National Yarn Agency	16,200	0.17%	-
	<b>TOTAL</b>	<b>97,00,000</b>	<b>100%</b>	<b>-</b>

**NOTE- 1B. STATEMENTS OF CHANGES IN EQUITY**

Current Reporting Period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
9,70,00,000.00	-	-	-	9,70,00,000.00

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

Previous reporting Period				
Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period error	Related Balance at beginning of the previous reporting period	Changes in Equity Share Capital during the previous year	Balance at the end of the previous reporting period
9,70,00,000.00	-		-	9,70,00,000.00

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2022**

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b><u>NOTE - 2</u></b>		
<b><u>RESERVE AND SURPLUS</u></b>		
Opening balance	4,69,07,416.46	4,25,01,470.04
(+) Net Profit/(Net Loss) For the current year	50,54,074.03	44,02,788.42
(-) Income Tax of Earlier Year	68,961.48	(3,158.00)
Closing Balance	5,18,92,529.01	4,69,07,416.46
<b><u>NON CURRENT LIABILITIES</u></b>		
<b><u>NOTE - 3</u></b>		
<b><u>LONG TERM LIABILITIES</u></b>		
<b>A. SECURED LOANS</b> <i>(As per List Attached)</i>	42,00,238.20	56,72,810.91
<b>B. UNSECURED LOANS</b> <i>Loans and advances from Directors and related parties</i> <i>(As per List Attached)</i>	7,10,53,387.93	6,97,96,350.93
<i>Total A+B</i>	7,52,53,626.13	7,54,69,161.84
<b><u>DEFERRED TAX LIABILITY</u></b>		
Opening Balance	43,38,000.00	42,28,000.00
Add : Addition/(Deducted) During the Year	2,000.00	1,10,000.00
	43,40,000.00	43,38,000.00
<b><u>CURRENT LIABILITIES</u></b>		
<b><u>NOTE - 4</u></b>		
<b><u>SHORT TERM BORROWINGS</u></b>		
<b>A. SECURED LOANS</b> <i>(As Per Details Attached)</i>	22,25,56,744.65	20,98,48,043.95
	22,25,56,744.65	20,98,48,043.95

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.3.2022**

**Note 5 TRADE PAYABLES**

**Figures For the Current Reporting Period**

Particulars	Outstanding for following period from due date payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	13,59,71,427.30	1,88,634.00	1,01,94,400.00	14,21,750.00	14,77,76,211.30
<b>Total</b>	<b>13,59,71,427.30</b>	<b>1,88,634.00</b>	<b>1,01,94,400.00</b>	<b>14,21,750.00</b>	<b>14,77,76,211.30</b>

**Figures For Previous Reporting Period**

Particulars	Outstanding for following period from due date payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Dispute dues-MSME	-	-	-	-	-
Dispute dues	-	-	-	-	-
Others	17,22,15,103.20	5,98,46,009.00	1,70,688.00	14,21,750.00	23,36,53,550.20
<b>Total</b>	<b>17,22,15,103.20</b>	<b>5,98,46,009.00</b>	<b>1,70,688.00</b>	<b>14,21,750.00</b>	<b>23,36,53,550.20</b>

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2022**

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b><u>NOTE - 6</u></b>		
ADVANCES AGAINST SUPPLY TO BE MADE <i>(As Per Details Attached)</i>	19,19,969.00	22,51,692.00
OTHER CURRENT LIABILITIES <i>(As Per Details Attached)</i>	22,99,032.00	44,49,446.00
	42,19,001.00	67,01,138.00
<b><u>NOTE - 7</u></b>		
<b><u>SHORT TERM PROVISIONS</u></b>		
Provision for Taxation for A.Y.2021-22	-	8,50,000.00
Provision for Taxation for A.Y.2022-23	9,75,000.00	-
	9,75,000.00	8,50,000.00

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2022**

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b>FIXED ASSETS</b>		
<b>NOTE- 8</b>		
<b>(i) TANGIBLE ASSETS</b>		
<i>(As Per Schedule Attached)</i>		
Gross Block	26,62,25,662.86	25,49,98,253.86
Add : Additions/Transferred during the year	1,28,69,200.00	1,12,27,409.00
Less : Sale during the year	-	-
Less : Accumulated Depreciation till date	11,63,11,551.86	10,07,93,510.86
	<b>16,27,83,311.00</b>	<b>16,54,32,152.00</b>
<b>NOTE- 9</b>		
<b>(ii) INTANGIBLE ASSETS</b>		
<b>Trade Mark</b>		
Gross Block	86,938.00	1,15,917.00
Add: Additions during the year	-	-
Less: Depreciation	21,735.00	28,979.00
	<b>65,203.00</b>	<b>86,938.00</b>
<b>NOTE - 10</b>		
<b>NON CURRENT INVESTMENT</b>		
60,000/- shares in Punjab Dyers Association @ Rs. 10/- (P.Y. 60,000/- shares of Rs. 10/-)	-	6,00,000.00
	-	6,00,000.00
<b>NOTE - 11</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
Electricity Security	26,65,921.00	26,65,921.00
	<b>26,65,921.00</b>	<b>26,65,921.00</b>

For MADHUR KNIT CRAFTS PRIVATE LIMITED

  
 (ARUN GUPTA)  
 DIRECTOR

  
 (VISHNU GUPTA)  
 DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2022**

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b>CURRENT ASSETS</b>		
<b>NOTE - 12</b>		
<b>INVENTORIES</b>		
Raw Material	10,53,41,287.00	7,17,08,068.58
Finished Goods	13,74,40,669.00	15,34,51,016.00
Consumable Stores	47,55,596.00	33,68,762.00
Packing & Forwarding	25,18,337.00	32,34,757.00
Other Consumable Stores & Spares	22,84,029.00	6,75,666.00
	<b>25,23,39,918.00</b>	<b>23,24,38,269.58</b>
<b>NOTE - 14</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash Balance in Hand (As certified by Director)	11,25,241.48	10,47,988.48
<b>BANK BALANCE WITH SCHEDULE BANKS</b>		
INDUSIND CREDIT CARD A/C- 5292430000922109	5,13,148.00	
State Bank of India C/a 36918377334	-	26,045.78
HDFC BANK LTD.(C/A-50200045530995)	-	1,30,137.00
Allahabad Bank C/a 20852924263	-	3,02,214.19
<b>FD BANK GUARANTEES</b>	49,76,435.30	49,51,631.30
<i>(As Per Details Attached)</i>		
	<b>66,14,824.78</b>	<b>64,58,016.75</b>
<b>NOTE - 15</b>		
<b>SHORT TERM LOAN &amp; ADVANCES</b>		
<b>Advances to Suppliers</b>	69,56,125.23	3,38,54,901.53
<i>(As per List Enclosed)</i>		
<b>Advances Recoverable in Cash or in Kind or Value to be Recd.</b>	1,96,94,844.82	2,25,09,582.48
<i>(As Per Details Attached)</i>		
	<b>2,66,50,970.05</b>	<b>5,63,64,484.01</b>

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**NOTES FORMING PART OF BALANCE SHEET AS AT 31.3.2022**

**Note 13 TRADE RECEIVABLES**

**Figures For the Current Reporting Period**

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1Year	1-2 Years	2-3 Years	More than 3 Years		
Undisputed Trade Receivables- Considered Goods	8,63,70,710.00	2,36,14,591.28	2,57,72,105.00	6,10,226.00	1,65,25,331.98		15,28,92,964.26
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>8,63,70,710.00</b>	<b>2,36,14,591.28</b>	<b>2,57,72,105.00</b>	<b>6,10,226.00</b>	<b>1,65,25,331.98</b>		<b>15,28,92,964.26</b>

**Figures For Previous Reporting Period**

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 Months	6 Months - 1Year	1-2 Years	2-3 Years	More than 3 Years		
Undisputed Trade Receivables- Considered Goods	13,70,44,530.00	1,56,21,711.00	3,82,61,108.13	1,25,54,599.98	72,39,580.00		21,07,21,529.11
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>13,70,44,530.00</b>	<b>1,56,21,711.00</b>	<b>3,82,61,108.13</b>	<b>1,25,54,599.98</b>	<b>72,39,580.00</b>		<b>21,07,21,529.11</b>

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

**MADHUR KNIT CRAFTS PRIVATE LIMITED**

**SCHEDULE OF FIXED ASSETS FORMING PART OF NOTE '12' OF BALANCE SHEET AS AT 31.03.2021**

PARTICULARS	USEFUL LIFE	COST BLOCK				DEPRECIATION BLOCK			W.D.V. BLOCK	
		COST AS ON 1.4.2021	ADD/TRF. DURING THE YEAR	SALE/TRF.	TOTAL	DEP.UPTO 31.03.2021	DEP.FOR THE YEAR	TOTAL	W.D.V.AS ON 31.03.2022	W.D.V.AS ON 31.3.2021
<b>LAND</b>		1,39,54,800.00	-	-	1,39,54,800.00	-	-	-	1,39,54,800.00	1,39,54,800.00
<b>BUILDING</b>										
Building	30 years	6,78,41,934.20	-	-	6,78,41,934.20	1,69,53,454.20	21,48,328.00	1,91,01,782.20	4,87,40,152.00	5,08,88,480.00
		6,78,41,934.20	-	-	6,78,41,934.20	1,69,53,454.20	21,48,328.00	1,91,01,782.20	4,87,40,152.00	5,08,88,480.00
<b>FURNITURE &amp; FIXTURE</b>										
	10 years	9,84,615.80	-	-	9,84,615.80	3,73,512.80	93,539.00	4,67,051.80	5,17,564.00	6,11,103.00
<b>GENERAL PLANT &amp; MACHINERY</b>										
Plant & Machinery	15 years	13,99,53,884.49	1,12,39,661.00	-	15,11,93,545.49	6,54,71,852.49	92,96,679.00	7,47,68,531.49	7,64,25,014.00	7,44,82,032.00
Generator	15 years	47,19,800.00	-	-	47,19,800.00	23,47,569.00	2,98,921.00	26,46,490.00	20,73,310.00	23,72,231.00
Fire Safety Equipments	15 years	5,45,000.00	-	-	5,45,000.00	2,67,709.00	34,517.00	3,02,226.00	2,42,774.00	2,77,291.00
CCTV System	15 years	9,55,553.00	82,462.00	-	10,38,015.00	2,63,908.00	64,207.00	3,48,115.00	6,89,900.00	6,71,645.00
Mobile & Telephone	15 years	19,848.00	-	-	19,848.00	9,111.00	1,257.00	10,368.00	9,480.00	10,737.00
Boiler	15 years	54,97,853.40	-	-	54,97,853.40	27,32,130.40	3,48,197.00	30,80,327.40	24,17,526.00	27,65,723.00
Lift	15 years	25,18,897.00	-	-	25,18,897.00	11,12,027.00	1,59,530.00	12,71,557.00	12,47,340.00	14,08,870.00
Crane	15 years	10,53,824.00	-	-	10,53,824.00	5,24,158.00	66,742.00	5,90,900.00	4,62,924.00	5,29,666.00
Air Compressor	15 years	7,15,100.00	-	-	7,15,100.00	3,55,684.00	45,290.00	4,00,974.00	3,14,126.00	3,59,416.00
Air Conditioner	15 years	23,120.00	-	-	23,120.00	7,140.00	1,464.00	8,604.00	14,516.00	15,980.00
Water Tank	15 years	45,669.00	-	-	45,669.00	15,271.00	2,892.00	18,163.00	27,506.00	30,398.00
Design Screen & Frame	15 years	29,47,857.65	7,59,777.00	-	37,07,634.65	7,34,994.65	2,00,314.00	9,35,308.65	27,72,326.00	22,12,863.00
Pollution Control Equip.	15 years	6,41,800.32	-	-	6,41,800.32	3,19,222.32	40,647.00	3,59,869.32	2,81,931.00	3,22,578.00
		15,96,38,206.86	1,20,81,900.00	-	17,17,20,106.86	7,41,80,776.86	1,05,60,657.00	8,47,41,433.86	8,69,78,673.00	8,54,57,430.00

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.



For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.



**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**STATEMENT OF PROFIT & LOSS AS ON 31.03.2022**

	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of the previous reporting period
I.	Revenue from operation	16	77,39,73,598.91	66,87,34,190.42
II.	Other Income	17	2,67,125.92	5,38,598.02
III.	<b>Total Revenue (I+II)</b>		<b>77,42,40,724.83</b>	<b>66,92,72,788.44</b>
IV.	<b>Expenses:-</b>			
(a)	Cost of material consumed	18	57,92,33,243.78	53,29,47,053.07
(b)	Purchase of Stock-in-Trade	19	37,45,740.13	30,62,962.00
(c)	Change in inventory of Finished Goods, WIP and Stock-in-Trade	20	1,60,10,347.00	(6,06,31,886.11)
(d)	Employee benefits expense	21	55,44,658.00	52,98,546.00
(e)	Finance cost	22	2,94,86,716.68	3,26,06,945.94
(f)	Depreciation and amortization exp.		1,55,39,776.00	1,41,30,147.00
(g)	Manufacturing Expenses	23	10,41,78,234.17	12,46,97,366.80
(i)	Selling & Administrative Exp.	24	1,44,70,935.04	1,17,98,865.32
	<b>Total Expenses</b>		<b>76,82,09,650.80</b>	<b>66,39,10,000.02</b>
V.	Profit before exceptional and extraordinary items and tax (III- IV)		60,31,074.03	53,62,788.42
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>60,31,074.03</b>	<b>53,62,788.42</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII-VIII)</b>		<b>60,31,074.03</b>	<b>53,62,788.42</b>
X.	<b>Tax Expenses :-</b>			
	(1) Current Tax		9,75,000.00	8,50,000.00
	(2) Deferred Tax		2,000.00	1,10,000.00
XI.	<b>Profit (loss) for the period (XI+XIV)</b>		<b>50,54,074.03</b>	<b>44,02,788.42</b>
XII.	<b>Earnings per equity share:</b>			
	(1) Basic		0.52	0.45
	(2) Diluted		0.52	0.45
	<b>Total</b>		<b>50,54,074.03</b>	<b>44,02,788.42</b>

For MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA

  
(ARUN GUPTA)  
DIRECTOR

  
(VISHNU GUPTA)  
DIRECTOR

# **MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

**Notes For Statement of Profit & Loss for Year ending on 31.03.2022**

## **NOTE - 16**

### **REVENUE FROM OPERATION**

	<b><u>CURRENT YEAR</u></b>	<b><u>PREVIOUS YEAR</u></b>
Sale Central	13,92,50,921.22	21,25,90,429.82
Sale Local	62,66,23,397.69	44,66,98,388.60
Sale Export	80,99,280.00	94,45,372.00
	<u>77,39,73,598.91</u>	<u>66,87,34,190.42</u>

## **NOTE - 17**

### **OTHER OPERATING INCOME**

Rebate & Discount	26,479.50	38,239.09
Interest on Shares Investment	52,500.00	-
Interest on Electricity Security	86,962.00	95,147.00
Interest on FDR	24,804.00	2,71,807.00
Insurance Recd.	72,282.00	1,06,038.63
Misc. Income	4,040.00	-
Round Off	58.42	-
Bank Interest Received	-	1,160.30
Remitted by PM Rojgar Protsahan Scheme	-	26,206.00
	<u>2,67,125.92</u>	<u>5,38,598.02</u>

## **NOTE - 18**

### **COST OF MATERIAL CONSUMED**

Opening Stock	7,17,08,068.58	11,92,71,416.86
Purchase	61,28,66,462.20	48,53,83,704.79
Sub - Total	<u>68,45,74,530.78</u>	<u>60,46,55,121.65</u>
Less: Closing Stock	<u>10,53,41,287.00</u>	<u>7,17,08,068.58</u>
	<u>57,92,33,243.78</u>	<u>53,29,47,053.07</u>

## **NOTE - 19**

### **PURCHASE OF STOCK IN TRADE**

Comforters & Bed Sheets	-	28,800.00
Blankets Purchase	37,45,740.13	30,34,162.00
	<u>37,45,740.13</u>	<u>30,62,962.00</u>

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

**Notes For Statement of Profit & Loss for Year ending on 31.03.2022**

**NOTE - 20**

**Change in inventory of Finished Goods, WIP and Stock-in-Trade**

	<b><u>CURRENT YEAR</u></b>	<b><u>PREVIOUS YEAR</u></b>
Opening Stock	15,34,51,016.00	9,28,19,129.89
Closing Stock	13,74,40,669.00	15,34,51,016.00
	<u>1,60,10,347.00</u>	<u>(6,06,31,886.11)</u>

**NOTE - 21**

**EMPLOYEES BENEFITS EXPENSES**

Salary	42,85,527.00	39,78,844.00
Bonus	3,89,137.00	3,61,815.00
ADM Charges	22,602.00	18,825.00
Employees Share Contribution (LWF)	5,080.00	5,670.00
Employer Share Contribution (LWF)	20,320.00	22,680.00
Employers PF Share Contribution	1,81,467.00	-
Employees ESI Share Contribution	33,608.00	-
Employees PF Share Contribution	1,81,467.00	2,11,428.00
ESI Share Contribution	1,44,990.00	36,424.00
Staff Welfare Charges	1,00,360.00	25,884.00
Labour Welfare Expenses	1,80,100.00	2,30,793.00
Uniform Exps.	-	37,700.00
	<u>55,44,658.00</u>	<u>52,98,546.00</u>

**NOTE - 22**

**FINANCE COST**

Interest to Bank	1,53,61,254.81	1,60,68,540.70
Bank Financial Expenses	4,18,624.58	-
Interest to Car Loan	3,41,166.48	1,93,202.26
Interest on Unsecured Loans & Others	-	45,92,866.00
Interest on GST	25,456.00	-
Bank Charges	9,310.81	20,201.43
Foreign Currency Conversion Expense	-	5,46,118.55
Interest to Parties	1,33,30,904.00	1,11,64,136.00
Interest on Income Tax and TDS	-	21,881.00
	<u>2,94,86,716.68</u>	<u>3,26,06,945.94</u>

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

## **MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

**Notes Forming Part of Profit & Loss Account for the Year ending on 31.03.2022**

### **NOTE - 23**

#### **MANUFACTURING EXPENSES**

	<b><u>CURRENT YEAR</u></b>	<b><u>PREVIOUS YEAR</u></b>
Machinery Repair	37,14,819.37	52,77,331.10
Boiler Expenses	1,14,65,485.50	1,04,59,479.50
Consumables Stores and Spares	3,07,11,450.70	4,10,94,715.45
Packing & Forwarding	1,52,77,515.48	2,56,48,998.75
Job Work/Fabrication & Erection Charges	43,25,287.28	14,47,391.00
Leave with Wages	3,098.00	3,91,537.00
Wages	2,73,85,289.00	2,59,08,822.00
Power & Fuel	1,12,95,288.84	1,44,69,092.00
	<u>10,41,78,234.17</u>	<u>12,46,97,366.80</u>

### **NOTE - 24**

#### **SELLING & ADMINISTRATIVE EXPENSES**

Auditor's Remuneration	30,000.00	30,000.00
Director's Remuneration	1,50,000.00	18,00,000.00
Advertisement Expenses	57,261.00	2,76,530.00
Commission	18,54,843.00	20,38,875.00
Postage & Telegram	9,514.00	13,462.00
Printing & Stationery	2,10,858.50	2,70,588.00
Telephone Expenses	1,35,357.90	66,472.00
Fee & Taxes	16,75,672.00	2,55,816.00
Repair & Maintenance	69,61,320.92	38,48,693.70
Travelling & Conveyance	4,29,975.33	4,53,254.00
Freight & Cartage Outwards	14,25,828.00	10,55,088.00
Insurance	8,06,518.00	10,13,444.00
Office Expenses	2,13,250.00	3,30,860.00
Discount	2,65,707.39	1,21,713.99
Security Service Charges	2,04,000.00	2,16,000.00
Misc. Expenses	40,829.00	8,068.63
	<u>1,44,70,935.04</u>	<u>1,17,98,865.32</u>

For MADHUR KNIT CRAFTS PRIVATE LIMITED



(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**

**CASH FLOW STATEMENT ANNEXED TO BALANCE SHEET FOR THE PERIOD FROM APRIL, 2021 TO 31.3.2022**

<b>PARTICULARS</b>		<b>(RS. IN LACS)</b>		
		<b>2021-22</b>		<b>2020-21</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit after tax as per Profit & Loss Account		50.54		44.03
<b>ADJUSTED FOR</b>				
Interest Paid	286.92		318.47	
Depreciation	155.40		141.30	
Income Tax Refund of earlier year	(0.69)		0.03	
Interest Income	(1.64)	439.99	(3.68)	456.12
<i>Operating profit before working capital changes</i>		490.53		500.15
<b>ADJUSTED FOR</b>				
Deferred tax liabilities		0.02		1.10
Trade payables		(882.34)		333.70
Trade and other Receivables		676.40		(815.05)
<b>Cash Generated from operations</b>		284.61		19.90
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets		(128.69)		(112.27)
Sale of fixed assets		-		-
Interest Recd.		1.64		3.68
<b>Net cash used in investing activities</b>		(127.05)		(108.59)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest Paid		(286.92)		(318.47)
Secured Loan Taken/Repaid		112.36		327.95
Sale of Investment		6.00		
Advance from Directors & Shareholders		12.57		81.03
<b>Net Cash from Financing activities</b>		(155.99)		90.50
Net Increase/decrease in cash and cash equivalents (A + B + C)		1.57		1.81
Opening balance of cash and cash equivalents		64.58		62.77
Closing balance of cash and cash equivalents		66.15		64.58

For MADHUR KNIT CRAFTS PRIVATE LIMITED




(ARUN GUPTA)  
DIRECTOR



(VISHNU GUPTA)  
DIRECTOR

For LALIT K. GUPTA & CO.  
CHARTERED ACCOUNTANTS



  
(CA LALIT KUMAR GUPTA)  
PARTNER

**MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS**

Note No. :- I

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of accounting: -**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis. Accounting Policies unless specifically stated to otherwise be consistent and in consonance with generally accepted accounting principles.

**2. Use of Estimates: -**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**3. Revenue Recognition: -**

Expenses and Income considered payable and receivable respectively are accounting for on accrual basis except discounts claims relates and retirement benefits in respect of leave encashment which cannot be determined with certainty during the year. 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.

**4. Property, Plant & Equipment: -**

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.



Director/ Auth. Sign.



**10. Retirement Benefits: -**

The retirement benefits are accounted for as and when liability becomes due for payment.

**11. Taxes on Income: -**

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. This year, the provision for deferred tax liability is provided for Rs. 2,000/-, the calculations for which are detailed and submitted by the management. The effect of Health & Education cess has not been considered for the calculation of Deferred tax assets.

**12. Provisions, Contingent Liabilities and Contingent Assets: - (AS-29)**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in notes to the account for: -

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.



**B. Notes on Financial Statements****Note No.: II**

1. The SSI/MSME status of the creditors is not known to company, hence information is not given.
2. Sundry Creditors, Sundry Debtors, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
3. Consumption of consumables and raw material have been arrived by adding purchases to Opening Stock and deducted closing stock therefrom.

**4. Payments to Auditors: -**

<b>Auditors Remuneration</b>	<b>2021-22</b>	<b>2020-21</b>
Audit Fees	20,000/-	20,000/-
Tax Audit Fees	5,000/-	5,000/-
Company Law Matters	5,000/-	5,000/-
GST	---	---
<b>Total</b>	<b>30,000/-</b>	<b>30,000/-</b>

5. Advance to others does not includes advances to concerns in which directors are interested:

	<b>Current Year</b>	<b>Previous Year</b>
<b>Name of Concern</b>	<b>Closing Balance</b>	<b>Closing Balance</b>
Trimurti Hosiery Mills Pvt. Ltd.	--	--
National Yarn Agency	--	--

**6. Related Party disclosure as identified by the company and relied upon by the auditors****(A) Related Parties and their Relationship****(I) Key Management Personnel**

1. Arun Gupta
2. Rajesh Gupta
3. Ravi Gupta
4. Vishnu Gupta
5. Piyush Gupta
6. Chirag Gupta
7. Madhur Gupta

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.

**(II) Relatives of Key Management Personnel**

1. Nitasha Gupta
2. Sangeeta Gupta
3. Anita Gupta
4. Rashmi Gupta
5. Kastoor Chand Gupta
6. Vani Gupta
7. Ridhima Gupta

For Madhur Knit Crafts Pvt. Ltd.

Director/ Auth. Sign.



**(III) Enterprises owned or significantly influenced by Key Management personnel or their relatives**

1. National Yarn Agency, Ludhiana.
2. Trimurti Hosiery Mills Pvt. Ltd.
3. K.C Fabrics.
4. Trimurti Apparels.

\*With whom the company had transactions during the year.

**Transactions with Related parties (Figure in Lac)**

Particulars	Transactions during the year			
	Current Year		Previous Year	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Deposit Received	1.00	81.07	5.50	296.50
Deposit Repaid	6.72	33.00	6.90	70.00
Interest Paid	--	--	19.66	26.30
Yarn/Material Purchased	--	574.89	--	79.81
Director Remuneration Paid	1.50	2.79	18.00	8.00

**Outstanding Balances**

Particulars	Current Year		Previous year	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Credit Balance	237.28	312.58	284.38	556.01
Debit Balance	----	----	----	----

**7. Major components of Deferred tax**

Particulars	As at 31.03.2022(Rs.)	As at 31.03.2021(Rs.)
A) Deferred Tax Liability	1,45,50,900	1,56,61,400
Total	1,45,50,900	1,56,61,400
B) Deferred Tax Assets	1,02,10,900	1,13,23,400
Total	1,02,10,900	1,13,23,400
Net Deferred Tax liabilities/(assets) (A-B)	43,40,000	43,38,000
Less :- Already Recognised	43,38,000	42,28,000
<b>Amount transfer to Statement of Profit&amp;Loss</b>	<b>2,000</b>	<b>1,10,000</b>

**8. RAW MATERIAL CONSUMED**

Particulars	Qty (Kgs)	
	2022	2021
Yarn	1087570.450.000	1945931.800.000
Fabrics & Cotton Cloth Lyera (mt.)	2132252.100	200000.000
Pollyfill	0.000.000	21550.000.000

For Madhur Knit Crafts Pvt. Ltd.  
  
 Director/ Auth. Sign.

For Madhur Knit Crafts Pvt. Ltd.  
  
 Director/ Auth. Sign.



**9. % of imported & indigenous raw material**

PARTICULARS	2022		2021	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	100	58,01,64,832.78	100	53,29,47,053.07

**10. CONTINGENT LIABILITIES AND COMMITMENTS (Rs. In Lakhs)**

S.NO.	PARTICULARS	31.03.2022	31.03.2021
a)	Contingent Liabilities	NIL	NIL
i)	Claims not acknowledged as debts	NIL	NIL
ii)	Bank Guarantees	NIL	NIL
iii)	Bills Discounted	NIL	NIL
iv)	Letter of Credit (Foreign/ Inland)	NIL	NIL
v)	Other money for which Company is contingently liable	NIL	NIL
b)	Commitments		
i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	NIL	NIL

**11. Value of Imports**

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

**12. Expenditure in Foreign Currency** Nil Nil

**13. Earning in Foreign Exchange** Nil Nil

**14.** The previous year figures have been regrouped, re-arranged and re-classified, wherever considered necessary.

**15.** Additional Regulatory Information/disclosures as required by General Instructions to Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

For MADHUR KNIT CRAFTS PVT. LTD.

*[Signature]*

DIRECTOR

*[Signature]*

DIRECTOR

PLACE : KHANNA  
DATED : 01.09.2022

For LALIT K. GUPTA & CO.  
CHARTERED ACCOUNTANTS



*[Signature]*  
(CA LALIT KUMAR GUPTA)  
PARTNER