

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.

- 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) 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 31st 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.

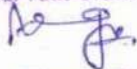
(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2022. Accordingly, clause 3(ix)(f) is not applicable.

- 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

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

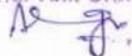
Our responsibility is to express an opinion on Company’s internal financial controls over financial reporting based on our audit.

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.

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.

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.

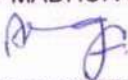
MADHUR KNIT CRAFTS PRIVATE LIMITED, LUDHIANA
BALANCE SHEET AS AT 31.03.2022


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

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
Authorised				
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
Issued, Subscribed & Paid up				
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
Total	97,00,000	9,70,00,000.00	97,00,000	9,70,00,000.00

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
TOTAL	84,88,810	87.51%		8,48,88,100

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%	-
	TOTAL	97,00,000	100.00%	-

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%	-
	TOTAL	97,00,000	100%	-

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
<u>NOTE - 2</u>		
<u>RESERVE AND SURPLUS</u>		
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
<u>NON CURRENT LIABILITIES</u>		
<u>NOTE - 3</u>		
<u>LONG TERM LIABILITIES</u>		
A. SECURED LOANS (As per List Attached)	42,00,238.20	56,72,810.91
B. UNSECURED LOANS Loans and advances from Directors and related parties (As per List Attached)	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
<u>DEFERRED TAX LIABILITY</u>		
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
<u>CURRENT LIABILITIES</u>		
<u>NOTE - 4</u>		
<u>SHORT TERM BORROWINGS</u>		
A. SECURED LOANS (As Per Details Attached)	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
Total	13,59,71,427.30	1,88,634.00	1,01,94,400.00	14,21,750.00	14,77,76,211.30

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
Total	17,22,15,103.20	5,98,46,009.00	1,70,688.00	14,21,750.00	23,36,53,550.20

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
<u>NOTE - 6</u>		
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
<u>NOTE - 7</u>		
<u>SHORT TERM PROVISIONS</u>		
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
FIXED ASSETS		
NOTE- 8		
(i) TANGIBLE ASSETS		
<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
	16,27,83,311.00	16,54,32,152.00
NOTE- 9		
(ii) INTANGIBLE ASSETS		
Trade Mark		
Gross Block	86,938.00	1,15,917.00
Add: Additions during the year		-
Less: Depreciation	21,735.00	28,979.00
	65,203.00	86,938.00
NOTE - 10		
NON CURRENT INVESTMENT		
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
NOTE - 11		
LONG TERM LOANS & ADVANCES		
Electricity Security	26,65,921.00	26,65,921.00
	26,65,921.00	26,65,921.00

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
CURRENT ASSETS		
NOTE - 12		
INVENTORIES		
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
	25,23,39,918.00	23,24,38,269.58
NOTE - 14		
CASH AND CASH EQUIVALENTS		
Cash Balance in Hand (As certified by Director)	11,25,241.48	10,47,988.48
BANK BALANCE WITH SCHEDULE BANKS		
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
FD BANK GUARANTEES	49,76,435.30	49,51,631.30
(As Per Details Attached)		
	66,14,824.78	64,58,016.75
NOTE - 15		
SHORT TERM LOAN & ADVANCES		
Advances to Suppliers	69,56,125.23	3,38,54,901.53
(As per List Enclosed)		
Advances Recoverable in Cash or in Kind or Value to be Recd.	1,96,94,844.82	2,25,09,582.48
(As Per Details Attached)		
	2,66,50,970.05	5,63,64,484.01

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	-	-	-	-	-	-	-
Total	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

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	-	-	-	-	-	-	-
Total	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

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
LAND		1,39,54,800.00	-	-	1,39,54,800.00	-	-	-	1,39,54,800.00	1,39,54,800.00
BUILDING										
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
FURNITURE & FIXTURE										
	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
GENERAL PLANT & MACHINERY										
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.	Total Revenue (I+II)		77,42,40,724.83	66,92,72,788.44
IV.	Expenses:-			
(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
	Total Expenses		76,82,09,650.80	66,39,10,000.02
V.	Profit before exceptional and extraordinary items and tax (III- IV)		60,31,074.03	53,62,788.42
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		60,31,074.03	53,62,788.42
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII-VIII)		60,31,074.03	53,62,788.42
X.	Tax Expenses :-			
	(1) Current Tax		9,75,000.00	8,50,000.00
	(2) Deferred Tax		2,000.00	1,10,000.00
XI.	Profit (loss) for the period (XI+XIV)		50,54,074.03	44,02,788.42
XII.	Earnings per equity share:			
	(1) Basic		0.52	0.45
	(2) Diluted		0.52	0.45
	Total		50,54,074.03	44,02,788.42

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

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
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

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
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

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
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

PARTICULARS		(RS. IN LACS)		
		2021-22		2020-21
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after tax as per Profit & Loss Account		50.54		44.03
ADJUSTED FOR				
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
ADJUSTED FOR				
Deferred tax liabilities		0.02		1.10
Trade payables		(882.34)		333.70
Trade and other Receivables		676.40		(815.05)
Cash Generated from operations		284.61		19.90
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets		(128.69)		(112.27)
Sale of fixed assets		-		-
Interest Recd.		1.64		3.68
Net cash used in investing activities		(127.05)		(108.59)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest Paid		(286.92)		(318.47)
Secured Loan Taken/Repaid		112.36		327.95
Sale pf Investment		6.00		
Advance from Directors & Shareholders		12.57		81.03
Net Cash from Financing activities		(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.



(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
Amount transfer to Statement of Profit&Loss	2,000	1,10,000

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.

