

INDEPENDENT AUDITOR'S REPORT

To the Members of JK FABTEX INDUSTRIES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **JK FABTEX INDUSTRIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the statement of Profit and Cash Flow Statement for the year ended on that date, 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 March 31, 2021, profits 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 Auditor's Report Thereon

"The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance."

Responsibility of Management for 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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,
- We are not responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls. As in our opinion and best of our information and according to the information and explanations given to us by the Management, the provisions of section 143(3) for reporting on the adequacy of Internal Financial Controls over Financial Reporting of and the operating effectiveness of such control of the Company, are not applicable;
- 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.



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.

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 sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the Company,
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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) In our opinion and best of our information and according to the information and explanations given to us by the Management, the provisions of section 143(3) for reporting on the adequacy of Internal Financial Controls over Financial Reporting of and the operating effectiveness of such control of the Company, are not applicable;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the provisions of the Section are not applicable to the Company.



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 are no amounts required to be transferred to the Investor Education and Protection Fund by the Company

For A.P. Sanzgiri & Co.
Chartered Accountants
Firm's Registration No. 116293W

Satish Kumar Gupta

Satish Kumar Gupta
Partner
UDIN: 22101134A AAAAB4033
Membership No: 101134

Place: Mumbai
Date: November 12, 2021



JK FABTEX INDUSTRIES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	3	1,00,000	1,00,000
(b) Reserves and Surplus	4	23,31,275	17,19,048
2 Non-current Liabilities			
(a) Long-term borrowings	5	1,78,10,223	10,78,500
(b) Deferred tax liabilities (Net)	6	1,29,221	50,899
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
3 Current liabilities			
(a) Short-term borrowings	7	94,48,000	1,68,32,832
(b) Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,71,10,253	7,54,48,094
(c) Other current liabilities	9	14,80,618	22,95,275
(d) Short-term provisions	10	1,98,457	4,24,288
TOTAL		8,86,08,047	9,79,48,937
II. ASSETS			
1 Non-current assets			
(a) <u>Fixed assets</u>			
(i) Tangible assets	11	67,38,466	51,60,872
(ii) Intangible assets		-	-
(b) Non-Current Investment		-	-
(c) Long-term loans and advances	12	-	4,23,46,356
(d) Other non-current assets	13	9,95,603	6,45,397
2 Current assets			
(a) Current investments		-	-
(b) Inventories	14	5,75,10,726	1,61,58,921
(c) Trade receivables	15	23,71,332	1,53,75,539
(d) Cash and cash equivalents	16	6,33,392	2,32,422
(e) Short-term loans and advances	17	1,85,11,212	1,79,94,937
(f) Other current assets	18	18,47,316	34,492
TOTAL		8,86,08,047	9,79,48,936
Significant Accounting Policies	2		

The Notes form integrated part of the financial statements

For and on behalf of
A.P. SANZGIRI & CO
Chartered accountants
Firm Registration No. 116293W

Satish Kumar Gupta
SATISH KUMAR GUPTA
Partner
M.N. 101134



For and on behalf of Board of Directors

JK Fabtex Industries Private Limited JK Fabtex Industries Private Limited

Naman Shah
Authorized
Naman Shah
Director
DIN : 08323071

Muktik Shah
Authorized
Additional Director
Muktik Shah
Director
DIN : 09375865

Date : November 12, 2021
Place : Mumbai

JK FABTEX INDUSTRIES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

	Particulars	Note No.	2020-21	2019-20
I.	Revenue From Operation	19	2,56,91,003	16,46,14,426
II.	Other income	20	33,95,462	38,40,264
III.	Total Revenue (I + II)		2,90,86,465	16,84,54,690
IV.	<u>Expenses:</u>			
	Purchases of Stock-in-Trade	21	4,89,95,080	10,55,29,156
	Changes in inventories of Stock-in-Trade	22	(4,13,51,805)	4,16,39,573
	Employee benefits expenses	23	33,32,664	37,33,440
	Process expenses	24	1,55,85,480	1,40,01,557
	Finance costs	25	1,64,791	1,02,388
	Depreciation and amortization expense	11	1,68,806	56,694
	Other expenses	26	13,61,846	26,27,993
	Total Expenses(IV)		2,82,56,862	16,76,90,800
V.	Profit before exceptional items and tax (III-IV)		8,29,603	7,63,890
VI.	Exceptional items		-	-
VII.	Profit before tax (VII- VIII)		8,29,603	7,63,890
VIII.	Tax expense:			
	(1) Current tax		1,39,054	1,46,034
	(2) Deferred tax		78,321	50,899
IX.	Profit (Loss) for the Year (IX - X)		6,12,228	5,66,957
X.	Profit/(loss) from discontinuing operations		-	-
XI.	Tax expense of discontinuing operations		-	-
XII.	XI)		-	-
XIII.	Profit (Loss) for the Year (IX + XII)		6,12,228	5,66,957
XIV.	Earnings per equity share:			
	(1) Basic		61.22	56.70
	(2) Diluted		61.22	56.70
	Significant Accounting Policies	2		

The Notes form integrated part of the financial statements

For and on behalf of
A.P SANZGIRI & CO
Chartered accountants
Firm Registration No. 116293W

Satish Kumar Gupta

SATISH KUMAR GUPTA
Partner
M.N. 101134



Date : November 12, 2021
Place : Mumbai

For and on behalf of Board of Directors

JK Fabtex Industries Private Limited

JK Fabtex Industries Private Limited

Naman Shah

Authorized
Naman Shah
Director
DIN : 08323071

Muktik Shah

Authorized
Muktik Shah
Director
DIN : 09375865

Authorized

JK FABTEX INDUSTRIES PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2021

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount	Amount	Amount	Amount
A. Cash Flow from Operating Activities				
Profit / (Loss) before taxation		8,29,603		7,63,890
Adjustments for:-				
Depreciation	(1,68,806)		(56,694)	
Interest income	33,95,462		38,40,264	
Interest Expenditure	(1,64,791)		(1,02,388)	
		30,61,865		36,81,182
Operating profit/ (Loss) before		(22,32,263)		(29,17,293)
Changes in Working Capital:				
Increase/ (Decrease) in trade payables	(1,83,37,840)		(2,80,57,676)	
Increase/ (Decrease) in other current liabilities	(8,14,657)		34,795	
Increase/ (Decrease) in Short term provisions (Other than Income Tax)	(2,25,831)		3,61,288	
(Increase)/ Decrease in trade receivables	1,30,04,207		(83,14,388)	
(Increase)/ Decrease in inventories	(4,13,51,805)		4,16,39,573	
(Increase)/ Decrease in short term loans and advances (Other than Mat Credit)	(5,16,275)		1,64,50,904	
(Increase)/ Decrease in Long term loans and advances (Other than Advance Tax)	4,23,46,356		(1,26,81,706)	
(Increase)/ Decrease in other current assets	(18,12,825)		26,40,379	
		(77,08,670)		1,20,73,369
Taxes paid (net of refunds)		(4,89,259)		(4,11,364,20)
Extra Ordinary Items				
Net Cash generated / (used) from Operating activities	A	(1,04,30,192)		87,44,712
B. Cash flow from Investing Activities				
Fixed Asset	(17,46,400)		-2942215.18	
Interest received	33,95,462		38,40,264	
Net Cash generated / (used) from investing activities	B	16,49,062		8,98,049
C. Cash flow from Financing Activities				
Interest paid	(1,64,791)		(1,02,388)	
Proceeds from Borrowings	1,67,31,723		10,78,500	
Repayment of borrowings	(73,84,832)		(1,05,15,000)	
Net Cash generated / (used) from financing activities	C	91,82,100		(95,38,888)
Net increase / (Decrease) in cash and cash equivalents	(A+B+C)	4,00,969		1,03,872
Add:				
Cash and Cash equivalents at the beginning of the year		2,32,422		1,28,550
Cash and Cash equivalents at the end of the year		6,33,392		2,32,422
Cash And Cash equivalents comprise of :				
Cash on hand		1,08,655		2,17,111
Balance With Bank		5,24,737		15,311
Total		6,33,392		2,32,422

The Notes form integrated part of the financial statements

For and on behalf of
A.P SANZGIRI & CO
Chartered accountants
Firm Registration No. 116293W

Satish Gupta
SATISH KUMAR GUPTA
Partner
M.N. 101134



For and on behalf of Board of Directors

JK Fabtex Industries Private Limited

JK Fabtex Industries Private Limited

Naman Shah
Authorized

Naman Shah
Director
DIN : 08323071

Mukhtik Shah
Authorized

Mukhtik Shah
Director
DIN : 09375865

JK FABTEX INDUSTRIES PRIVATE LIMITED

Note 1: Background

The Company was incorporated as on 9th March 2012 for business of manufacturing, exporting, importing and trading of Garments and Fabric.

Note 2: Statement of Significant Accounting Policies and Notes forming part of accounts for the period ended 31st March, 2021.

i. Basis of Accounting

The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the generally accepted accounting principles in India, the applicable mandatory accounting standards as notified by Companies (Accounting Standards) Rules, 2014 and the relevant provisions of The Companies Act, 2013.

ii. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Difference between the actual result and estimates are recognized in periods in which the results are known- /-materialized.

iii. Fixed Assets

Fixed Assets are carried at historical cost less depreciation accumulated thereon.

iv. Depreciation

Depreciation on the fixed Assets is provided on Straight Line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

v. Impairment of Assets

The carrying amounts of fixed assets are reviewed at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised where the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value.

vi. Valuation of Inventories

- Raw Materials are valued at weighted average cost or net realisable value.
- Finished Goods are valued at lower of weighted average cost or net realisable value.

vii. Revenue Recognition:

- I) Sale of goods is recognised when the risk and rewards of ownership are passed on to the customers, which is generally on despatch of goods. Sales are stated net of returns and excluding Goods and Service Tax.

viii. Foreign Exchange Transactions

- I) Transactions in foreign currencies are recorded at exchange rates prevailing at the time of the transactions. The exchange differences arising on restatement or on settlement are recognised in the Profit and Loss Statement.
- II) All Assets and Liabilities relating to transactions involving foreign currencies are converted at exchange rates prevailing at the year-end. Any loss or gain arising out of settlements/conversion is adjusted in the Profit and Loss Statement.

ix. Borrowing Cost

Borrowing costs attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of asset. Other borrowing costs are recognized as an expense in the period for which they are incurred.

x. Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.

xi. Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

xii. Taxation

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.

Deferred tax is recognized, subject to prudence, on timing difference, being the tax on difference between the taxable income and the accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognized for unabsorbed depreciation and carry forward losses to the extent there is virtual certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

xiii. Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders, by the weighted average number of equity shares outstanding during the



JK FABTEX INDUSTRIES PRIVATE LIMITED
Notes to Accounts forming part of Balance Sheet

Note 3 : Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of share	Amount (in Rs.)	Number of share	Amount (in Rs.)
<u>Authorized</u>				
Equity Shares of Rs. 10 each	2,50,000	25,00,000	2,50,000	25,00,000
<u>Issued</u>				
Equity Shares of Rs. 10 each	10,000	1,00,000	10,000	1,00,000
<u>Subscribed & Paid up</u>				
Equity Shares of Rs. 10 each fully	10,000	1,00,000	10,000	1,00,000
Total	10,000	1,00,000	10,000	1,00,000

(a) Reconciliation of number of shares

Particulars	Equity Shares		Equity Shares	
	Number of share	Amount (in Rs.)	Number of share	Amount (in Rs.)
Shares outstanding at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Shares issued during the Year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

(b) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ms. Krushangani Manish Shah	5,000	50%	5,000	50%
Mr. Harshil M Shah	5,000	50%	5,000	50%
	10,000	100%	10,000	100%

JK Fabtex Industries Private Limited

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JK FABTEX INDUSTRIES PRIVATE LIMITED
Notes to Accounts forming part of Balance Sheet

Note 4 : Reserves & Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
A. Surplus		
Opening balance	17,19,048	11,52,091
(+) Net Profit/(Net Loss) for the year	6,12,228	5,66,957
Closing Balance	23,31,275	17,19,048
Total	23,31,275	17,19,048

Note 5 : Long Term Borrowing

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Loan from GIDC for Plot	10,78,500	10,78,500
Less: Disclosed under Current Liabilities		
- Transfer to Current Maturity on Long term borrowing.	1,01,109	-
	9,77,391	10,78,500
Loans and advances from others	1,68,32,832	-
Total	1,78,10,223	10,78,500

Note 6 : Deferred Tax Liability

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Difference in Depreciation	1,29,221	50,899
Total	1,29,221	50,899

Note 7 : Short Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Unsecured		
Loans and advances from Related Parties (Repayable on Demand)	92,85,000	-
Loans and advances from others	1,63,000	1,68,32,832
Total	94,48,000	1,68,32,832

Note 8 : Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Trade Payables	5,71,10,253	7,54,48,094
Total	5,71,10,253	7,54,48,094

Note 9 : Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Current Maturities of Long Term Borrowing	1,01,109	-
Employee Salary Payable	5,35,811	12,01,071
Director Salary Payable	4,55,100	10,84,000
Statutory Liabilities	1,67,958	10,204
Trade Payables for Capital Goods	2,20,640	-
Total	14,80,618	22,95,275

Note 10 : Short Term Provision

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Audit Fees Payable	1,34,750	70,000
Provision for Expenses	63,707	3,54,288
Total	1,98,457	4,24,288

Note 12 : Long Term Loans & Advances

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Inter Corporate Loan	-	4,23,46,356
Total	-	4,23,46,356

Note 13 : Other Non-Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Advance Tax (Net of Provision)	9,45,975	5,95,769
Other deposit	49,628	49,628
Total	9,95,603	6,45,397

d Assets Schedule - II

Particulars	Gross Block			Balance as at March 31, 2021	Accumulated Depreciation			Net Block	
	Balance as at 1 April 2020	Additions during the year	Deletion during the year		Balance as at 1 April 2020	Depreciation charge for the year	Adjustment due to Schedule-II	Balance as at 31st March 2021	Balance as at 31st March 2020
Tangible Assets									
Plant and Machinery	22,75,350.00	-	-	22,75,350.00	-	-	-	22,75,350.00	22,75,350.00
Motor Vehicle	15,53,810.00	-	-	15,53,810.00	28,983.17	49,203.08	-	14,75,622.85	15,24,826.83
Office Equipment	22,48,395.33	17,46,400.00	-	29,94,795.33	23,902.09	1,02,008.10	-	28,66,885.14	12,22,893.24
Fixed Installations	19,365.00	-	-	19,365.00	504.02	6,132.25	-	12,728.73	18,860.98
	3,20,644.85	-	-	1,20,644.85	1,304.31	11,461.26	-	1,07,879.28	1,19,340.54
Total Tangible Assets	52,17,565.18	17,46,400.00	-	69,63,965.18	50,693.59	1,48,805.48	-	67,38,485.99	51,60,571.59

JK Fabtex Industries Private Limited

Authorized

JK Fabtex Industries Private Limited

Authorized



Note 14 : Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Fabric Traded goods	5,75,10,726	1,61,58,921
Total	5,75,10,726	1,61,58,921

Note 15 :Trade Receivable

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
Unsecured, Considered Goods		
Over Six Month	23,18,533	68,26,930
Less than Six Month	52,799	85,48,609
Total	23,71,332	1,53,75,539

Note 16 :Cash and Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
A.Cash and Cash Equivalents		
(i) Balances with banks	5,24,737	15,311
(ii) Cash on hand	1,08,655	2,17,111
Total	6,33,392	2,32,422

Note 17 : Short Term Loans & Advances

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
(a) Advances to Others Parties	1,82,21,634	1,73,06,779
(b) Advances to Supplier	1,32,657	4,44,946
(c) Advances to Staff	16,921	2,43,212
(c) Prepaid Expenses	1,40,000	-
Total	1,85,11,212	1,79,94,937

Note 18 : Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
	Amount (in Rs.)	Amount (in Rs.)
(a) Balances with Statutory Authorities	18,47,316	34,492
Total	18,47,316	34,492

JK FABTEX INDUSTRIES PRIVATE LIMITED
Notes to Accounts forming part of Profit & Loss

Note 19 : Revenue From Operations

Amount (in Rs.)

Particulars	2020-21	2019-20
Fabric Sales	76,24,598	14,62,08,144
Job Service charges	1,80,66,405	1,84,06,282
Total	2,56,91,003	16,46,14,426

Note 20 : Other Income

Amount (in Rs.)

Particulars	2020-21	2019-20
Interest Income	33,95,462	38,40,264
Total	33,95,462	38,40,264

Note 21 : Purchase of Traded Goods

Amount (in Rs.)

Particulars	2020-21	2019-20
Fabric Purchase	4,80,46,716	10,48,39,171
Accessories Purchase	9,48,364	6,89,985
Total	4,89,95,080	10,55,29,156

Note 22 : Change in Inventories of Traded Goods

Amount (in Rs.)

Particulars	2020-21	2019-20
Fabric Traded goods		
Opening Stock	1,61,58,921	5,77,98,494
Closing Stock	5,75,10,726	1,61,58,921
Total	(4,13,51,805)	4,16,39,573

Note 23 : Employee Benefit Expenses

Amount (in Rs.)

Particulars	2020-21	2019-20
(a) Salaries and Wages	19,81,509	23,18,079
(b) Remuneration to Directors	12,50,000	12,50,000
(c) Staff welfare expenses	49,005	1,39,776
(d) Bonus	52,150	25,585
Total	33,32,664	37,33,440

Note 24 : Process Expenses

Particulars	Amount (in Rs.)	
	2020-21	2019-20
(a) Sticking workers wages	73,87,174	88,30,070
(b) Repair & Maintenance -Machinery	72,300	87,742
(c) Job work & Contract Labour charges	81,26,006	48,67,745
(d) Rent Plant & Machinery	-	2,16,000
Total	1,55,85,480	1,40,01,557

Note 25 : Finance Cost

Particulars	Amount (in Rs.)	
	2020-21	2019-20
Interest Expenses	1,64,791	1,02,388
Total	1,64,791	1,02,388

Note 26 : Other Expenses

Particulars	Amount (in Rs.)	
	2020-21	2019-20
Audit Fees	70,000	70,000
Repairs & Maintenance	25,146	28,222
Electricity Expense	3,37,251	3,60,332
Brokerage and Commission	3,22,790	15,13,241
Professional Charges	63,650	30,600
Printing & Stationary	46,037	42,813
Rent Paid	2,27,634	3,00,000
Insurance Expense	27,154	-
Miscellaneous Expense	2,42,184	2,82,785
Total	13,61,846	26,27,993

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27. Dues to Micro & Small Enterprises.

Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year-end together with interest paid / payable as required under the said Act have not been furnished. The Same has not been verifiable by the auditor.

28. Contingent Liability

There are no Contingent Liabilities as on March 31, 2021 (Previous year – Nil)

29. Balance confirmations

The balance of unsecured loans, creditors, advances to suppliers and debtors are subject to confirmations. The management is in the process of obtaining the respective confirmations in the due course. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances.

30. Imported and Indigenous material

Amount in Rs.

Particulars	2020-2021		2019-2020	
	Rs.	%	Rs.	%
Imported	-	-	-	-
Indigenous	48,995,080	100%	105,529,156	100%
Total	48,995,080	100%	105,529,156	100%

31. Remuneration paid or payable to Auditors

Amount in Rs.

Particular	2020-2021	2019-2020
As Statutory Auditor (including GST)	70,000	70,000

32. Related party disclosures (as identified and certified by the management)**I) Individuals Controlling the enterprises and Key Management Personnel**

- Mr. Mukti Shah (Director)
- Ms. Naman Shah (Director)

II) Relative of Key Managerial Person

- Ms. Krushangani A. Jain
- Mr. Manish K. Shah
- Ms. Arushi M. Shah
- Mr. Harshil M Shah

III) Other Related Parties

- K K Silk Mills Limited
(Formerly known as K K Silk Mills Private Limited)
- V K Silk Mills (Directors are Partners)

Amount in Rs

Nature of Transaction	2020-2021	2019-2020
KK Silk Mills Ltd		
- Sales of Fabric	7,624,597	1,82,17,277
- Garment Job	17,337,238	
Purchases-		
K K Silk Mills Limited	-	10,01,201
V K Silk Mills	1,14,58,574	81,86,872
Rent		
V K Silk Mills	-	3,00,000
K K Silk Mills Limited	2,18,000	2,16,000
Interest on Loan Given		
K K Silk Mills Limited	17,30,656	20,07,451
Remuneration		
-Mr. Harshil M. Shah	6,50,000	6,50,000
-Mr. Naman Shah	6,00,000	6,00,000
Salary		
- Aarushi M. Shah	3,00,000	3,00,000
Loan & Advances Taken		
- Ms. Aarushi M. Shah	40,000	Nil
Repayment of Loan & Advances Taken		
- Mr. Kantilal B Shah	Nil	25,65,000
Loan & Advances Given		
-K K Silk Mills Limited	28,805,545	1,08,75,000

33.

Loan & Advances Received Back -K K Silk Mills Limited	71,236,297	
Outstanding Balance as on 31st March 2021 Dr/(Cr)		
- K K Silk Mills Limited- Loan	(84,396)	4,23,46,356
- V K Silk Mills-Creditor	1,02,976	(3,08,128)
- K K Silk Mills Limited	(3,26,178)	26,08,137
Outstanding Balance (Remuneration & Salary)		
- Ms. Aarushi M. Shah	-	3,00,000
- Mr. Harshil M. Shah	1,000	2,36,000
- Mr. Naman Shah	4,54,100	5,48,000

34. Earning Per Share

Amount in Rs

Particular	2020-2021	2019-2020
Net Profit (Rs.)	6,12,228	5,66,957
Weighted average number of equity shares outstanding (Nos.)	10000	10000
Earnings per share - Basic & Diluted (Rs.) (Face value of Rs.10 per share)	61.22	56.70

35. Since the company has only one reportable segment under Accounting Standard 17 (AS-17) issued by ICAI viz. Fabrics, no disclosures are required to comply with the said AS-17. The volume of other segments are insignificant in this context.

36. Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation.

JK Fabtex Industries Private Limited

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DIRECTORS REPORT
OF
JK FABTEX INDUSTRIES PRIVATE LIMITED
FOR THE FINANCIAL YEAR 2020-21

**NAMES OF PAST AND PRESENT DIRECTORS OF THE COMPANY WITH DIRECTOR
IDENTIFICATION NUMBERS (DIN)¹**

1. NAMAN SHAH	DIRECTOR	(DIN: 08323071)
2. HARSHIL SHAH	DIRECTOR ¹	(DIN: 08094477)
3. MUKTIK SHAH	ADDITIONAL DIRECTOR ²	(DIN: 09375865)

1 : Resigned from Directorship w.e.f. from 27-10-2021

2 : Appointed as Additional Director w.e.f. from 27-10-2021

¹The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers



JK Fabtex Industries Private Ltd.

Factory : T-1 Umbergaon Multilevel shade estate, GIDC, Phase-3,
Umbergaon District Valsad - 396171 • Tel.: 7574001443
GSTIN : 24AACCJ8356R1ZV | CIN : U17291MH2012PTC227884
Email:manish@kksillkmills.com

DIRECTORS' REPORT

TO
THE MEMBERS,
JK FABTEX INDUSTRIES PRIVATE LIMITED
ADDRESS : ROOM NO. 402, 4TH FLOOR, SIDDHACHAL BUILDING,
OPPO. CANARA BAR, T.J. ROAD, SEWRI, MUMBAI 400015,
MAHARASHTRA, INDIA.

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2021.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March, 2021 as compared to the previous Financial Year, is summarized below:

(In Rs.)

Particulars	For the Financial Year ended 31 st March, 2021	For the Financial Year ended 31 st March, 2020
Income	2,90,86,465	16,84,54,690
Less: Expenses	2,82,56,862	16,76,90,800
Profit/ (Loss) before tax	8,29,603	7,63,890
Less: Provision for tax	-	-
Current Tax	139,054	1,46,034
Deferred tax	78,321	50,899
Income Tax of earlier years w/off	-	-
Exception Income	-	-
Exception expenditure	-	-
Profit after Tax	6,12,228	5,66,957

APPROPRIATIONS:

Interim Dividend	-	-
Final Dividend	-	-
Tax on distribution of dividend	-	-
Transfer of General Reserve	-	-
Balance carried to Balance sheet	6,12,228	5,66,957



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Email:manish@kksilkmills.com

b. LOANS FROM DIRECTORS OR DIRECTORS' RELATIVES:

During the Financial Year under review, the Company has borrowed the following amount(s) from Directors or Director's Relative and the respective Director/Director's relative has given a declaration in writing to the Company to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others. Accordingly, the following amount(s) is excluded from the definition of Deposit as per Rule 2 (1) (c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014:-

Name of Person giving loan	Whether Director or Director's Relative?	Amount borrowed during 2020-21
Aarushi M. Shah	Relative of Director	40,000

c. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

The details of transactions/contracts/arrangements referred to in Section 188 (1) of The Companies Act, 2013 entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of The Companies Act, 2013, during the Financial Year under review, are furnished in Form AOC-2 and is attached as Annexure I and forms part of this Report.

d. ANNUAL RETURN:

The Company does not have any website and hence, the Annual Return referred to in Section 92 (3) has not been placed on the website.

e. MATERIAL CHANGES AFTER END OF YEAR:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the Financial Year of the Company and date of this report.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

There was no change in Directorship of the Company during the year under review. The Company was not required to appoint any Key Managerial Personnel.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. BOARD MEETINGS:



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Email: manish@kksilkmills.com

The Board of Directors met 6 times during the Financial Year ended 31st March 2021 in accordance with the provisions of The Companies Act, 2013 and rules made thereunder.

The Company has complied with the applicable Secretarial Standards in respect of all the above Board Meetings.

4. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the Financial Year ended 31st March 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134 (3) of The Companies Act, 2013.

b. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of The Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, M/s. A. P. Sanzgiri and Co., (FRN: 116293W), Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of 5 years and they continue to be the Statutory Auditors of the Company.

c. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143 (12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with The Companies (Accounts) Rules, 2014.

5. OTHER DISCLOSURES:

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021, the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



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- b. such accounting policies have been selected and applied consistently and the Directors 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 as at 31st March, 2021 and of the profit of the Company for that year;
 - c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
 - e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- b. **DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43 (a) (ii) of the Act read with Rule 4 (4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- c. **DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54 (1) (d) of the Act read with Rule 8 (13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- d. **DISCLOSURE UNDER SECTION 62 (1) (b) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62 (1) (b) of the Act read with Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- e. **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**
- During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
6. **ACKNOWLEDGEMENTS AND APPRECIATION:**
- Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.



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FOR AND ON BEHALF OF THE BOARD
JK FABTEX INDUSTRIES PRIVATE LIMITED

NAMAN SHAH
DIRECTOR

DIN: 08323071

ADDRESS: 402-A, GIRNAR TOWER, 4TH
FLOOR, G.D. AMBEKAR MARG,
AMBEWADI, KALACHOWKI, MUMBAI
400033, MAHARASHTRA,
INDIA.

DATE: 12/11/2021
PLACE: MUMBAI

MUKTIK SHAH
ADDITIONAL DIRECTOR

DIN: 09375865

ADDRESS: 24TH FLOOR, 2403-T4,
CRESCENT BAY, JERBAI WADIA ROAD,
BHOIWADA, NEAR MAHATMA PHULE
EDUCATION SOCIETY, PAREL,
MUMBAI 400012, MAHARASHTRA INDIA.

ANNEXURE I

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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

Particulars	Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	-	-
(b) Nature of contracts/ arrangements/ transactions	-	-
(c) Duration of the contracts / arrangements/transactions	-	-
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	-	-
(e) Justification for entering into such contracts or arrangements or transactions	-	-
(f) Date(s) of approval by the Board	-	-
(g) Amount paid as advances, if any	-	-
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-	-

2. Details of material contracts or arrangement or transactions at arm's length basis

Particulars	Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	VK Silk Mills	KK Silk Mills Limited
(b) Nature of contracts/ arrangements/ transactions	Purchase	Loans and Advances

(c) Duration of the contracts / arrangements/transactions	Annually	Annually
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Purchases - Rs. 1,14,58,574/-	Loans and Advances Given - Rs. 2,88,05,545/- Loan and Advances Received Back: Rs. 7,12,36,297/-
(e) Date(s) of approval by the Board, if any	NA	NA
(f) Amount paid as advances, if any	-	-

FOR AND ON BEHALF OF THE BOARD
JK FABTEX INDUSTRIES PRIVATE LIMITED



NAMAN SHAH
DIRECTOR
DIN: 08323071

ADDRESS: 402-A, GIRNAR TOWER, 4TH FLOOR, G.D. AMBEKAR MARG, AMBEWADI, KALACHOWKI, MUMBAI 400033, MAHARASHTRA, INDIA.

DATE: 12/11/2021
PLACE: MUMBAI



MUKTIK SHAH
ADDITIONAL DIRECTOR
DIN: 09375865

ADDRESS: 24TH FLOOR, 2403-T4, CRESCENT BAY, JERBAI WADIA ROAD, BHOIWADA, NEAR MAHATMA PHULE EDUCATION SOCIETY, PAREL, MUMBAI 400012, MAHARASHTRA INDIA.