

NANDINI TEXCOM (INDIA) LIMITED

B-304, International Commerce Centre, Near
Kadiwala School, Ring Road, Surat-395002

Independent Auditor's Report
on
Financial Statement
For F.Y. 2019-20



Prepared by:

R M R & Co.

Chartered Accountants,
B-203, Shree Hari Park,
Near Centre Point Building,
Sagrampura, Surat- 395002
Tel: 0261- 2463810/11/12



INDEPEDENT AUDITOR'S REPORT

TO,
The Members of NANDINI TEXCOM (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of NANDINI TEXCOM (INDIA) LIMITED which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and loss account and Cash Flow Statement for the year ended and a summary of significant accounting policy and notes to the financial statements.

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 standalone 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2020.
- (b) in the case of the Statement of Profit and Loss Account, of the profit for the period 31st March, 2020 on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 Act, we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by section 143(3) of the Act, we further report that:

- (i) 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;
- (ii) 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 such books;
- (iii) 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.
- (iv) in our opinion, the aforesaid standalone financial statements dealt with by this report comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (v) on the basis of the written representations received from the directors as on 31st March, 2020, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B": and
- (vii) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014; in our opinion and to the best of our information and according to the explanations given to us;



- (a) The Company does not have any pending litigations which would impact its financial position.
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

As per our Report of even date

For R M R & CO.

Chartered Accountants

ICAI Reg.No.106467W



CA M. M. Modani

Partner

Membership No. 043384

UDIN : 20043384AAAAAD8810

Place : Surat

Date : 24nd June, 2020

ANNEXURE-A INDEPENDENT AUDITOR'S REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON THEIR LEGAL AND REGULATORY REQUIREMENT" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NANDINI TEXCOM (INDIA) LIMITED FOR THE YEAR ENDED ON 31st March, 2020.

- (i) In respect of fixed assets:
 - a) As per information provided to us, the company do not possess any immovable property .
 - b) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - c) According to information and explanation given to us, the fixed assets have been physically verified by the management at reasonable intervals. There were no Material discrepancies noticed on such verification.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed.
- (iii) The company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits.
- (vi) In our opinion and according to information and explanation given to us, Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii)
 - a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's 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.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, service tax, excise duty and cess were in arrears, as at 31.03.2020 for a period of more than six months from the date they become payable.
- (viii) The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.



- (ix) The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments)
- (x) Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
- (xiv) The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company hasn't entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

As per our Report of even date
For R M R & CO.
Chartered Accountants
ICAI Reg.No.106467W



[Signature]
CA M. M. Modani
Partner

Membership No. 043384
UDIN : 20043384AAAAAD8810

Place : Surat
Date : 24nd June, 2020

ANNEXURE - "B" TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NANDINI TEXCOM (INDIA) LIMITED as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external 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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Surat
Date : 24nd June, 2020



For and on behalf of
For R M R & CO.
Chartered Accountants
ICAI Reg.No.106467W


CA M. M. Modani
Partner
Membership No. 043384
UDIN : 20043384AAAAAD8810

NANDINI

TEXCOM (INDIA) LIMITED

CIN: L65N10GJ1994PLC021165

Balance Sheet

As at 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

EQUITY AND LIABILITIES :	Note	31.03.2020	31.03.2019
Shareholder's funds			
Share Capital	3	5,00,01,000	5,00,01,000
Reserves and Surplus	4	2,09,16,951	1,82,88,660
Money received against share warrants		-	-
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	5	41,73,909	27,71,838
Deferred Tax liabilities (Net)		-	-
Other Long term liabilities		-	-
Long-term Provisions		-	-
Current Liabilities			
Short term borrowings	6	2,78,80,376	2,95,24,141
Trade payables	7	54,06,053	46,61,810
Other current liabilities	8	2,81,137	5,32,709
Short term provisions	9	8,48,349	11,47,443
GRAND TOTAL		10,95,07,775	10,69,27,601
ASSETS :			
Non-current assets			
Fixed assets			
Tangible assets	10	36,66,367	18,48,487
Intangible assets		-	-
Capital work-in-progress		-	-
Intangible assets under development		-	-
Non-current investments		-	-
Deferred tax assets (net)	11	1,24,468	1,52,109
Long-term loans and advances		-	-
Other non-current assets		-	-
Current assets			
Current investments		-	-
Inventories	12	2,61,15,862	3,84,98,629
Trade receivables	13	5,23,19,851	4,68,98,438
Cash and Cash equivalents	14	1,37,003	1,49,684
Short-term loans and advances	15	2,71,44,224	1,93,80,254
Other current assets		-	-
GRAND TOTAL		10,95,07,775	10,69,27,601

Summary of significant accounting policies 2

The accompanying notes 1 to 22 are integral part of financial statements

As per our Report of even date Annexed

For R M R & CO.

Chartered Accountants

ICAI Reg.No.106467W

CA M. M. Modani

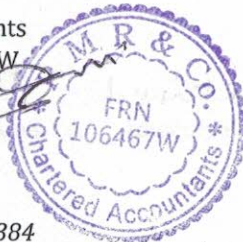
Partner

Membership No. 043384

Place : Surat

Date : 24th June, 2020

UDIN : 20043384AAAAAD8810



For and on behalf of the Board of Directors
NANDINI TEXCOM (INDIA) LIMITED

Ashok Tekriwal

Ashokkumar Tekriwal

Director

DIN:00086179

Ramesh Sonthalia

Ramesh Sonthalia

CFO

Poonam Tekriwal

Poonamdevi Tekriwal

Director

DIN: 00086114

Nishita Pamnani

Nishita Pamnani

CS

NANDINI

TEXCOM (INDIA) LIMITED

CIN: L65N10GJ1994PLC021165

Statement of Profit And Loss

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

Income :	Note	31.03.2020	31.03.2019
Revenue from operations	16	47,06,33,495	46,19,34,965
Other Income	17	7,34,499	14,25,101
Total Revenue		47,13,67,994	46,33,60,066
Expenses :			
Cost of Materials Consumed		-	-
Purchases of Stock in Trade	18	43,69,60,640	43,34,77,401
Changes in inventories of finished goods, WIP and Stock-in-trade	19	1,23,82,767	60,69,641
Employee benefits expense	20	23,24,867	20,44,678
Finance Costs	21	34,55,025	40,99,392
Depreciation and amortization expense	10	3,85,426	3,57,852
Other expense	22	1,23,87,265	1,34,17,480
Total Expense		46,78,95,990	45,94,66,444
Profit before exceptional and extraordinary items and tax		34,72,003	38,93,622
Exceptional Items		-	-
Profit before extraordinary items and tax		34,72,003	38,93,622
Extraordinary items		-	-
Profit before tax		34,72,003	38,93,622
Tax expense:			
Current Tax		8,45,816	11,46,090
Deferred Tax	11	27,641	(11,441)
		8,73,457	11,34,649
Profit/(Loss) for the period from continuing operations		25,98,546	27,58,973
Profit/(Loss) for the period from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(Loss) from discontinuing operations (after tax)		-	-
Profit/(Loss) for the period		25,98,546	27,58,973
Earnings per equity share:			
Basic		0.52	0.55
Diluted		NA	NA

Summary of significant accounting policies 2

The accompanying notes 1 to 22 are integral part of financial statements

As per our Report of even date Annexed

For R M R & CO.

Chartered Accountants

ICAI Reg.No.106467W

CA M. M. Modani

Partner

Membership No. 043384

Place : Surat

Date : 24th June, 2020

UDIN : 20043384AAAAAD8810



Ashok Tekriwal

Ashokkumar Tekriwal

Director

DIN:00086179

Ramesh Sonthalia

Ramesh Sonthalia

CFO

Poonam Tekriwal

Poonamdevi Tekriwal

Director

DIN: 00086114

Nishita Pamnani

Nishita Pamnani

CS

NANDINI

TEXCOM (INDIA) LIMITED

CIN: L65N10GJ1994PLC021165

Cash Flow Statement

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

Cash Flows from operating activities	31.03.2020	31.03.2019
Profit/(loss) after taxes	25,98,546	27,58,973
Adjustments for:		
Depreciation	3,85,426	3,57,852
Deferred tax	27,641	(11,441)
Excess Provision of Income Tax for Previous Year	29,744	-
(Profit)/Loss on sales of Fixed Assets	(2,08,300)	-
Operating profit before working capital changes (a)	28,33,057	31,05,384
Change in current asset		
Inventories	1,23,82,767	60,69,641
Trade receivables	(54,21,413)	(72,19,283)
Short-term loans and advances	(77,63,971)	18,41,704
	(8,02,617)	6,92,062
Change in Liabilities		
Short term borrowings	(16,43,764)	96,21,914
Trade payables	7,44,243	(29,81,323)
Other current liabilities	(2,51,572)	(53,427)
Short term provisions	(2,99,094)	(23,62,023)
	(14,50,187)	42,25,141
Change in working capital (b)	(22,52,804)	49,17,203
Cash generated from operations (a + b)	5,80,254	80,22,587
Less : Income tax paid (Net tax refund received)	-	-
Net cash provided by operating activities (A)	5,80,254	80,22,587
Cash flows from investing activities		
Purchase of Fixed Asset	(23,49,282)	(13,75,255)
Sales of Fixed Assets	3,54,276	-
Increase/ Decrease in Investment	-	-
Net cash used in investing activities (B)	(19,95,006)	(13,75,255)
Cash flows from financing activities		
Long-term borrowings received/(paid) during the year	14,02,071	(65,23,042)
Net cash used in financing activities (C)	14,02,071	(65,23,042)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(12,681)	1,24,290
Cash and cash equivalents at beginning of the year	1,49,684	25,394
Cash and cash equivalents at end of the year	1,37,003	1,49,684
Components of cash and cash equivalents		
Cash and Cheques on hand	1,37,003	1,49,684
Balances with Scheduled Banks in current account	-	-
Cash and cash equivalents at end of the year (Note 14)	1,37,003	1,49,684

As per our Report of even date Annexed

For R M R & CO.

Chartered Accountants

ICAI Reg.No.106467W

For and on behalf of the Board of Directors

NANDINI TEXCOM (INDIA) LIMITED

CA M. M. Modani

Partner

Membership No. 043384

Place : Surat

Date : 24th June, 2020

UDIN : 20043384AAAAAD8810



Ashok Kumar Tekriwal

Ashok Kumar Tekriwal

Director

DIN:00086179

Ramesh Sonthalia

Ramesh Sonthalia

CFO

Poonam Tekriwal

Poonamdevi Tekriwal

Director

DIN: 00086114

Nishita Pamnani

Nishita Pamnani

CS

Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

1 General disclosures :

1.1 Corporate information

The Company is engaged in trading of yarn.

1.2 Related Parties

The list of related parties and nature of their relationship is furnished below:

Directors of the company-

Managing Director	<i>Ashokkumar Tekriwal</i>
Managing Director	<i>Poonamdevi Tekriwal</i>
Director	<i>Durgaprasad Sharma</i>
Director	<i>Kailash Ram Gopal Chhapparwala</i>
Director	<i>Shruti Kedia</i>

Key Managerial Personnel of the company-

CFO	<i>Rameshkumar Govindprasad Sonthalia</i>
CS	<i>Nishita Pamnani</i>

Companies under the same management-

Bittu Synthetics Private Limited

- 1.3 In the opinion of the Board of Director all the current assets, loans and advances are apporxmately of the value stated and realizable in the ordinary course of business. The adequate provision of all known liabilities have been made. The balances of creditors, loans and advances as at 31st March 2020 are subject to confirmation.
- 1.4 Previous year figures have been regrouped wherever necessary. Figure are rounded off to nearest rupees.

2 Significant Accounting Policies

2.1 **Basis of Preparation of Accounts**

These Financial Statement of the company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the companies (Indian Accounting Standard) Rules, 2015 and as amended on time to time. All income and expenditure having a material bearing on the financial statements are recognised on accrual basis.

The preparation of financial statements is in conformity with Indian Accounting Standards (IND AS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the year.



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statement are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Revenue recognition (IND AS 115)

Sale of goods

Sales of goods (yarn) are recognised, net of returns, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude GST and excise. Sales also includes interest received on late payments from customers.

2.4 Inventories (IND AS 2)

Closing stock are valued at cost or realisable value whichever is lower. Cost includes purchase cost and purchase related expenses i.e. Custom duty, C & F charges, Cha service charges and Freight. Closing stock do not include GST. Inventories include stock in transit which is valued at cost including related expenses incurred upto the stage in which goods are as on the balance sheet date.

Goods in Transit

Goods in transit refers to inventory items and other products that have been shipped by a seller, but have not yet reached the purchaser.

When goods are in transit at the end of an accounting period, they require special accounting attention since the goods are not physically present at either the seller's or the buyer's location. It is necessary to examine whether the sales terms were FOB shipping point or FOB destination.

The goods imported amounting to Rs.118,17,134/- had reached Indian port before the balance sheet date but were not able to be transported due to COVID-19 and lockdown situation, therefore are shown under the the "Goods in Transit".

2.5 Fixed asset (IND AS 16)

Fixed assets are stated at the cost of acquisition and subsequent improvement thereto less accumulated depreciation. The cost of acquisition includes purchase price, freight and other expenses incurred for bringing the fixed assets to the working condition for its intended use. Further, fixed assets on which ITC in regards to GST cannot be claimed are recorded inclusive of GST

2.6 Depreciation and amortisation

Depreciation is charged on Straight Line Method in accordance with the rates specified under Schedule II to the Companies Act, 2013 on pro rata basis.



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

2.7 Other income

Other income includes sundry balances written off, claims and rate difference amount.

2.8 Earnings per share (IND AS 33)

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is not applicable to company.

2.9 Anti-Bumping Duty

Refund of Anti-dumping duty amounting Rs.70,95,953/- pertains to financial year 2017-18 and purchase cost in that year was reduced to this effect. It is shown under the under the head "Balance with Tax Authority"

2.10 Taxes on income (IND AS 12)

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

For the purpose of quantifying deferred tax amount as on Balance Sheet date deferred tax is recognised on timing differences being difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2.11 Cash flow statement (IND AS 7)

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.12 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



Note on Financial Statements**For the year ended 31st March, 2020**

(All amounts are in Rupees, unless otherwise stated)

2.13 Foreign Currency Transaction (IND AS 21)

Foreign currency transaction are accounted at the rates prevailing on the date of transaction. The exchange rate differences (if any) arising out of such transaction are appropriately dealt in the financial statement in accordance with the applicable accounting standards.

2.14 Borrowing Cost (IND AS 23)

Borrowing cost directly related to the acquisition or construction of an asset is capitalized as part of the cost of the asset. Other borrowing costs are charged to the profit & loss account.

2.15 Provisions and Contingencies (IND AS 37)

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.16 Impact on COVID-19

The outbreak of COVID-19 globally and resultant lockdown in many countries, including in India, has had impact on the business of the Company. Operations of the Company were completely closed from 22.03.2020 to 22.05.2020 due to lock down. Management is expecting that demand will improve once markets stabilize after effect of COVID-19 and lockdown is over. Management has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long term basis/on useful Life of the assets/ on financial position etc. though there may be lower revenues and lower profitability in the near term in year 2020-21.



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

3 Share Capital	31.03.2020	31.03.2019
Authorised Share Capital		
55,00,000 equity shares of Rs 10/- each <i>(Previous year 55,00,000 equity shares of Rs 10/- each)</i>	5,50,00,000	5,50,00,000
Issued, Subscribed & Paid-up Capital		
50,00,100 equity shares of Rs 10/each, fully paid up <i>(Previous year 50,00,100 equity shares of Rs 10/- each)</i>	5,00,01,000	5,00,01,000
	5,00,01,000	5,00,01,000

* Disclosure pursuant to Note 6(A)(g) of Part I of Schedule VI to the Companies Act, 2013 (if more than 5%)

There is no single share holder holding more than 5% share of company.

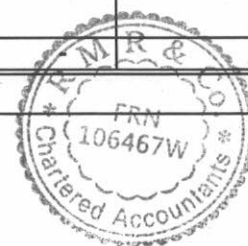
4 Reserves and Surplus	31.03.2020	31.03.2019
a. Profit and Loss Account		
Opening Balance as on 01.04.2019	1,81,62,654	1,54,03,681
Add: Profit/(Loss) during the year	25,98,546	27,58,973
Add: Excess Provision of Previous Year Transfer to Reserves	29,744	-
	2,07,90,944	1,81,62,654
b. Shree Ganeshji Maharaj	6	6
c. Special Reserve fund	1,26,000	1,26,000
(a+b+c)	2,09,16,951	1,82,88,660

5 Long-Term Borrowings	Secured		Unsecured	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
1 From Banks :	-	-	-	-
From Yes Bank	5,15,512	7,89,700.00		
From Hdfc Bank	14,63,329	-		
2 From Related Parties				
From Directors and Relatives	-	-	21,95,068	19,82,138
From Corporate bodies	-	-	-	-
Total	19,78,841	7,89,700.00	21,95,068	19,82,138

Note on Long Term Borrowing :

- 1 Loan from **Yes Bank** is secured against Honda Car and Loan from **HDFC Bank** is secured against Seltos Car purchased during the financial year.

6 Short-Term Borrowings	Secured		Unsecured	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
1 Loans repayable on demand				
From banks :				
Cash Credit Facility	2,78,80,376	2,95,24,141	-	-
Total	2,78,80,376	2,95,24,141		-



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

Note on Short Term Borrowing :

- 1 Cash credit facility from **KOTAK MAHINDRA BANK LTD** is secured againsts Stock in Trade and Books Debts of the company. Collateral security and guaranty is given by Directors of the company.
- 2 General Note on above Short -term borrowings
There is no continuing default as on the balance sheet date in repayment of loans and interest.

7 Trade Payables	31.03.2020	31.03.2019
a. Creditors for Goods	6,73,071	9,85,979
b. Creditors for Expenses	47,32,982	36,75,831
	54,06,053	46,61,810

8 Other Current Liabilities	31.03.2020	31.03.2019
a. Current Liability	2,81,137	5,32,709
	2,81,137	5,32,709

9 Short Term Provisions	31.03.2020	31.03.2019
a. For Expenses	2,533	1,353
b. Income Tax	8,45,816	11,46,090
	8,48,349	11,47,443

11 Deferred Tax as per AS 22	Current year as on 31.03.2020		
	Amount	Rate of Tax	Net effect
A) Deferred Tax Liability/(Asset) :			
Depreciation Difference	1,10,563	25%	27,641
Others			
Net Deffered Tax Liability/(Asset)		(A-B)	27,641

Opening balance of Defferred Tax Liability/(Asset)	(1,52,109)
Add : Net Defferred Tax Liability/(Asset) for the year	27,641
Balance carry forward to balance sheet	(1,24,468)

12 Inventories (Certified by the management)

Particulars	31.03.2020		31.03.2019	
	Qty (Kg)	Amount	Qty (Kg)	Amount
a. Stock in trade				
Yarn	50,579	1,42,98,728	2,07,371	3,84,98,629
b. Stock in Transit (Yarn)	30,000	1,18,17,134	-	-
	80,579	2,61,15,862	2,07,371	3,84,98,629

Note: Cash credit borrowings are secured by hypothecation of Inventories.
Refer point no 2.4 of Note on Financial Statements



Note on Financial Statements**For the year ended 31st March, 2020**

(All amounts are in Rupees, unless otherwise stated)

13 Trade Receivables	31.03.2020	31.03.2019
(a) Outstanding for a period less than six months from the date they are due for payment	5,23,19,851	4,68,98,438
(b) Outstanding for a period exceeding six months from the date they are due for payment	-	-
<i>Unsecured, considered good</i>	-	-
	5,23,19,851	4,68,98,438
Less: Provision for doubtful debts	-	-
	5,23,19,851	4,68,98,438

Note : Cash credit borrowings are secured by hypothecation of Trade Receivables of company.

14 Cash and cash equivalents	31.03.2020	31.03.2019
a. Balances with banks;	-	-
b. Cheques, drafts on hand;	-	-
c. Cash on hand;	1,37,003	1,49,684
d. Others (specify nature).	-	-
	1,37,003	1,49,684

15 Short-term loans and advances	31.03.2020	31.03.2019
<i>Unsecured, considered good</i>		
a. Advance to Related Parties	-	-
b. Balance with Tax Authority	97,09,958	1,23,55,015
c. Advances to Supplier	1,72,44,393	69,45,761
d. Prepaid Insurance	10,954	29,498
e. Other Advances	1,78,919	49,980
	2,71,44,224	1,93,80,254
Less: Provision for doubtful debts	-	-
	2,71,44,224	1,93,80,254



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

NOTES ON ACCOUNTS 10

FIXED ASSET

Sr. Particulars No.	Dep. Rate In %	Gross Block				Depreciation Block				Net Block				
		Cost as on 01.04.2019	Additions During the year	Deletions during the year	Total as on 31.03.2020	Upto 01.04.2019	Additions During the year	Deletions during the year	Residual Value Adjustme nt	Residual Value Adjustme nt	Total as on 31.03.2020	WDV as on 31.03.2020	WDV as on 31.03.2019	
(1) Tangible assets														
Vehicles														
Hero Bike	9.50%	51,500	-	-	51,500	255	4,894	-	-	-	5,149	46,351	51,245	
Car-Honda	12.50%	12,83,969	-	-	12,83,969	63,940	1,52,504	-	-	-	2,16,444	10,67,525	12,20,029	
Car -Audi	0.00%	29,19,507	-	29,19,507	-	27,73,532	-	27,73,532	-	-	-	-	1,45,975	
Car - Hyundai	33.43%	3,45,000	-	-	3,45,000	2,21,008	41,451	-	-	-	2,62,459	82,541	1,23,992	
Car - Seltos	11.88%	-	19,89,123	-	19,89,123	-	45,195	-	-	-	45,195	19,43,928	-	
Office Equipment														
Air Condition1	0.00%	2,52,726	-	-	2,52,726	2,40,090	-	-	-	-	2,40,090	12,636	12,636	
Air Condition2	0.00%	20,399	-	-	20,399	19,379	-	-	-	-	19,379	1,020	1,020	
Air Condition3	32.30%	1,59,000	-	-	1,59,000	65,469	30,211	-	-	-	95,680	63,320	93,531	
Air Condition	32.27%	38,000	-	-	38,000	15,627	7,220	-	-	-	22,847	15,153	22,373	
Air Condition4	30.04%	35,000	-	-	35,000	12,863	6,650	-	-	-	19,513	15,487	22,137	
Air Condition5	19.00%	-	1,86,850	-	1,86,850	-	8,633	-	-	-	8,633	1,78,217	-	
Air Condition6	19.00%	-	1,10,788	-	1,10,788	-	5,119	-	-	-	5,119	1,05,669	-	
Mobile	95.28%	12,500	-	-	12,500	10,008	1,867	-	-	-	11,875	625	2,492	
Mobile 2-I phone	35.23%	55,000	-	-	55,000	25,338	10,450	-	-	-	35,788	19,212	29,662	
Mobile 3	36.24%	5,000	-	-	5,000	2,379	950	-	-	-	3,329	1,671	2,621	
Mobile 4	27.10%	7,858	-	-	7,858	2,348	1,493	-	-	-	3,841	4,017	5,510	
Mobile 5	20.82%	39,786	-	-	39,786	3,479	7,559	-	-	-	11,038	28,748	36,307	
Mobile 6	19.00%	-	54,048	-	54,048	-	8,530	-	-	-	8,530	45,518	-	
Printer	19.00%	-	8,473	-	8,473	-	400	-	-	-	400	8,073	-	
Television	31.71%	21,565	-	-	21,565	8,643	4,098	-	-	-	12,741	8,824	12,922	
Water Container	31.70%	9,630	-	-	9,630	3,861	1,829	-	-	-	5,690	3,940	5,769	
Computers														
Apple Desktop	95.40%	1,64,501	-	-	1,64,501	1,09,903	46,373	-	-	-	1,56,276	8,225	54,598	
Computer1	0.00%	36,999	-	-	36,999	35,149	-	-	-	-	35,149	1,850	1,850	
Computer2	0.00%	5,055	-	-	5,055	4,802	-	-	-	-	4,802	253	253	
Computer3	0.00%	36,791	-	-	36,791	34,951	-	-	-	-	34,951	1,840	1,840	
Computer4	0.00%	34,500	-	-	34,500	32,775	-	-	-	-	32,775	1,725	1,725	
Total		55,34,286	23,49,282	29,19,507	49,64,061	36,85,799	3,85,426	27,73,532	-	-	12,97,693	36,66,367	18,48,487	
Total current Year (I+II+III+IV)		55,34,286	23,49,282	29,19,507	49,64,061	36,85,799	3,85,426	27,73,532	-	-	12,97,693	36,66,367	18,48,487	
Total Previous Year		41,59,031	13,75,255	29,19,507	55,34,286	33,27,947	3,57,852	-	-	36,85,799	18,48,487	8,31,084		

Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

16 Revenue from Operations (Sale of Products excluding GST)

Particulars	31.03.2020		31.03.2019	
	Qty (In Kg)	Amount	Qty (In Kg)	Amount
Yarn	14,02,855	47,06,33,495	12,28,929	46,19,34,965
Total	14,02,855	47,06,33,495	12,28,929	46,19,34,965

17 Other Income

	31.03.2020	31.03.2019
Sundry Balances Written Off	10,686	73,000
Claim & Rate Difference Received	5,05,673	13,52,101
Profit On Sale of Car	2,08,300	-
Interest on IT Refund	9,840	-
	7,34,499	14,25,101

18 Purchases of Stock in Trade

Particulars	31.03.2020		31.03.2019	
	Qty (In Kg)	Amount	Qty (In Kg)	Amount
Purchase during year				
Yarn	13,12,213	41,40,51,080	12,65,079	41,45,38,355
Direct expenses				
Custom Duty	-	1,93,52,069	-	1,56,37,748
Clearing & Forwarding Exp	-	35,57,491	-	33,01,298
Total cost	13,12,213	43,69,60,640	12,65,079	43,34,77,401

Discloser in respect of Foreign Exchange Transaction for above point.

Particulars		Amount in Rs.	Amount in \$
a.	Value of Import of Goods/service for the current year	35,84,98,655	50,36,519

Disclosure in respect of related parties for above trade receivables

Particulars	Amount	
	31.03.2020	31.03.2019
Firm in which director is a partner	-	-
Private company in which director is a member	-	15,06,798
Total	-	15,06,798

19 Changes in inventories of finished goods, work in progress and Stock-in-Trade

Particulars	31.03.2020		31.03.2019	
	Qty (In Kg)	Amount	Qty (In Kg)	Amount
(A) Opening Stock				
Yarn	1,71,221	3,84,98,629	1,35,071	4,45,68,270
Total	1,71,221	3,84,98,629	1,35,071	4,45,68,270



Note on Financial Statements

For the year ended 31st March, 2020

(All amounts are in Rupees, unless otherwise stated)

(B) Closing Stock				
Yarn	50,579	1,42,98,728	1,71,221	3,84,98,629
Stock in Transit	30,000	1,18,17,134	-	-
Total	80,579	2,61,15,862	1,71,221	3,84,98,629
A-B		1,23,82,767		60,69,641

Note : Refer point no 2.4 of Note on Financial Statements

20 Employee benefits expense	31.03.2020	31.03.2019
Salaries	23,24,867	20,44,678
	<u>23,24,867</u>	<u>20,44,678</u>

21 Finance Costs	31.03.2020	31.03.2019
Bank Charges	44,848	9,854
Interest on Secured Loan	29,97,444	36,29,246
Interest on Unsecured Loan	2,37,733	2,68,542
Processing Charges	1,75,000	1,91,750
	<u>34,55,025</u>	<u>40,99,392</u>

22 Other expenses	31.03.2020	31.03.2019
Administrative Expenses		
Auditor Remuneration	95,000	95,000
Directors Remuneration	55,20,000	55,20,000
Commission and Brokerage	11,95,718	25,72,134
Conveyance Expense	1,75,750	1,85,728
Insurance Expenses	80,471	57,648
Interest on Income Tax/TDS/GST	955	2,00,896
Legal & Professional Charges	3,95,400	3,16,849
Donation	2,00,000	3,03,000
Miscellaneous Expenses	1,75,733	42,002
Annual Listing Expense	55,000	55,000
Telephone Expenses	35,595	35,265
Office Rent	9,00,000	9,00,000
Office Expenses	1,01,360	94,550
Rates and taxes, excluding tax on Income	55,783	27,260
Repair & Maintenance Exp	-	2,14,816
Travelling expenses	1,81,931	1,87,394
Selling Expenses		
Sales Promotion Expenses	36,020	2,26,544
Cartage Expenses	11,54,989	9,56,654
Freight	20,27,560	14,26,739
	<u>1,23,87,265</u>	<u>1,34,17,480</u>



Note on Financial Statements**For the year ended 31st March, 2020**

(All amounts are in Rupees, unless otherwise stated)

General Note on above

a. Auditor Remuneration :

Particulars	31.03.2020	31.03.2019
For Audit Fees	45,000	45,000
For Taxation Matters	45,000	45,000
For Other Services	5,000	5,000
Total	95,000	95,000

b. Director Remuneration :

The Remuneration paid / payable U/S 197 of the Companies Act for the year ended 31/03/2019

Name of directors	Basic pay	Sitting fees	Total
Ashok Tekriwal (WTD)	36,00,000	-	36,00,000
Poonamdevi Tekriwal (WTD)	19,20,000	-	19,20,000
Total	55,20,000	-	55,20,000

c. Rent paid to related party:

Name	Nature of payment	Relation	Amount
Poonamdevi Tekriwal	Office Rent	Director	9,00,000
Total			9,00,000

As per our Report of even date Annexed

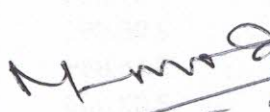
For R M R & CO.

Chartered Accountants


ICAI Reg.No.106467W


For and on behalf of the Board of Directors

NANDINI TEXCOM (INDIA) LIMITED



CA M. M. Modani
Partner
Membership No. 043384
Place : Surat
Date : 24th June, 2020
UDIN : 20043384AAAAAD8810




Ashok Kumar Tekriwal
Director
DIN:00086179


Poonamdevi Tekriwal
Director
DIN: 00086114


Ramesh Sonthalia
CFO


Nishita Pamnani
CS

NANDINI

TEXCOM (INDIA) LIMITED

CIN: L65N10GJ1994PLC021165

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st March, 2020 AND PROFIT AND LOSS A/C. FOR THE YEAR ENDING ON 31st March, 2020.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No. : U65910GJ1994PLC021165 State Code: 4

Balance Sheet dated 31st March, 2020

II CAPITAL RAISED

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	10,95,07,775	Total Assets	10,95,07,775
-------------------	--------------	--------------	--------------

EQUITY AND LIABILITIES

Shareholder's funds	7,09,17,951	Share application money	-
Non-current liabilities	41,73,909	Current Liabilities	3,44,15,915
Deffered Tax Liability	-		

ASSETS

Non-current assets	37,90,835	Current assets	10,57,16,940
--------------------	-----------	----------------	--------------

IV PERFORMANCE OF COMPANY

Total Income	47,13,67,994	Total Expenditure	46,78,95,990
Profit/(Loss) Before Tax	34,72,003	Profit/(Loss) After Tax	25,98,546
Earnings Per Share in Rs.	0.52	Dividend Rate %	-

V GENERIC NAMES OF PRINCIPAL PRODUCTS/ SERVICES OF THE COMPANY

Item Code No.	HSN : 54033100
Product Description	Yarn

As per our Report of even date Annexed
For R M R & CO.

Chartered Accountants
ICAI Reg.No.106467W

For and on behalf of the Board of Directors
NANDINI TEXCOM (INDIA) LIMITED

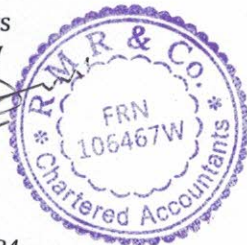
CA M. M. Modani
Partner

Membership No. 043384

Place : Surat

Date : 24nd June, 2020

UDIN : 20043384AAAAAD8810



Ashok Tekriwal

Ashokkumar Tekriwal

Director

DIN:00086179

Poonam Tekriwal

Poonamdevi Tekriwal

Director

DIN: 00086114

Ramesh Sonthalia

Ramesh Sonthalia

CFO

Nishita Pamnani

Nishita Pamnani

CS