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NEELAM LINENS

&

GARMENTS (INDIA)

PRIVATE LIMITED

STATEMENT OF

AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2021



NEELAM GARMENTS

NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the company will be held on, November 30, 2021 at 11.30 am at the registered office of the company at A1/446-447, Shah & Nahar Industrial Estate, S. J. Marg, Dhanraj Mill Compound, Lower Parel, Mumbai – 400 013 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited statement of accounts for the period ended on 31st March, 2021.
2. To appoint the auditors of the company to hold office till the conclusion of the next annual general meeting and to fix their remuneration.

By Order of the Board

Director

PLACE : MUMBAI.

DATED : NOVEMBER 20, 2021

REGISTERED OFFICE

A1/446-447, Shah & Nahar Industrial Estate, S. J. Marg, Dhanraj Mill Compound, Lower Parel, Mumbai – 400 013

NOTE : A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

**DIRECTOR'S REPORT**

To,
The Members of,
M/s. NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED
Mumbai

Your Directors have pleasure in presenting their 10th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2021.

Financial Summary:

PARTICULARS	March 31, 2021	March 31, 2020
Income from Operations		
Revenue from Sale of Goods	78,19,71,383	153,46,57,902
Revenue from Sale of Services	NIL	NIL
Other Operating Revenue	1,36,31,673	2,38,06,786
Other Income	85,84,370	2,76,15,733
Total Income from Operations	80,41,87,426	158,60,80,421
Profit/(Loss) Before Depreciation & Taxes	1,51,75,863	1,33,29,815
Less: Depreciation	68,77,757	70,95,957
Profit/(Loss) before Taxation	82,98,106	62,33,858
Less: Tax Expenses		
Tax Expenses for Current Year	27,30,690	18,70,160
MAT Credit Entitlement	NIL	NIL
Excess I. T. Provisions	(8,04,206)	NIL
Deferred Tax	NIL	NIL
Profit/(Loss) after Tax	63,71,622	43,63,698
Profit/(Loss) brought forward from previous year	6,86,51,887	6,42,88,189
Surplus available for Appropriations	7,50,23,509	6,86,51,887
Appropriations		
Dividend on Preference Shares	NIL	NIL
Tax on above dividend	NIL	NIL
Proposed Dividend on Equity Shares	NIL	NIL
Tax on above dividend	NIL	NIL
Transfer to reserve funds	NIL	NIL
Fixed Assets Written Off	NIL	NIL
Balance Carried Forward to the Balance Sheet	7,50,23,509	6,86,51,887

OPERATIONAL REVIEW:

The Company is engaged in the business of Manufacturing of Cotton Made Ups.

During the year Gross revenues decreased to Rs. 80,41,87,426/- against Rs. 1,58,60,80,421/- in the previous financial year. Profit before Depreciation and Taxation in the current year increased to Rs. 1,51,75,863/- against Rs. 1,33,29,815/- in the previous financial year. After providing for Depreciation and Taxation, the net profit of the Company in the current year increased to Rs. 63,71,622/- against Rs. 43,63,698/- in the previous financial year. The Company expects a good business in forthcoming years.



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TRANSFER TO RESERVES:

During the year the company has not proposed to transfer any amount to the General Reserve.

DIVIDEND:

The Directors of the Company are not recommending any dividend for preservation of profit for business expansion.

DEPOSIT:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rule, 2014.

DIRECTORS:

During the year, there was no change in the Board of Directors of the Company.

DECLARATION BY INDEPENDENT DIRECTORS:

The Provisions of Section 149 of Companies Act, 2013 pertaining to the appointment of Independent Directors do not apply on the Company.

MEETINGS OF BOARD:

During the year, Seven Board Meetings were convened and held. Board Meetings were held on the following dates 16/06/2020, 30/09/2020, 30/10/2020, 30/11/2020, 30/12/2020, 30/01/2021 and 30/03/2021. One Annual General Meeting will be held on 31/12/2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act 2013, the Directors would like to state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

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- iv. The Directors have prepared the annual accounts of the company on the going concern basis.
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186. of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

INTERNAL FINANCIAL CONTROL/THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The directors has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

CONSERVATION OF ENERGY:

- a) Company ensures that the operations of the company are conducted in the manner whereby optimum utilization and maximum possible saving of energy is achieved.
- b) No Specific Investment has been made in reduction in energy consumption equipments.
- c) As the impact of measure taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) No steps have been taken by the company for utilizing alternate sources of energy.

TECHNOLOGY ABSORPTION:

Company's operations are conducted by using in-house know how and no outside technology is being used for operating activities. Therefore no outside technology absorption is there in the company. The Company has not incurred expenditure on research and development activities during this financial year.



FOREIGN EXCHANGE EARNINGS AND OUT-GO:

During the period under review there was foreign exchange in flow of Rs. 38,93,69,035/- on account of export sales.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There is no such company which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Provisions related to vigil mechanism / whistle blower policy are not applicable on the Company hence the Company at present has not designed any Vigil Mechanism / Whistle Blower Policy.

AUDITORS:

At the Annual General Meeting held on 30th day of November, 2021, M/s. Dinesh Mehta & Associates, (Firm's Registration No. 125938W), Chartered Accountants, were appointed as Statutory Auditors of the Company to hold the office till conclusion of 7th consecutive Annual general meeting. As per the provisions of Section 139 of the Companies Act, 2013 the appointment of M/s. Dinesh Mehta & Associates, Chartered Accountants, as Statutory Auditors of the company is placed for Ratification by the shareholders at the ensuing Annual General Meeting.

AUDITOR'S REPORT:

The observations made in the Auditor's Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

SECRETARIAL AUDIT:

The Provision of Section 204 of the Companies Act, 2013 with regard to Secretarial Audit are not applicable to the Company.

RELATED PARTY TRANSACTIONS DISCLOSURE

The disclosure required under sub section (1) of Section 188 is mentioned in Form AOC-2 which is annexed herewith as "Annexure A".

STATE OF COMPANY'S AFFAIRES:

The Company is engaged in the business of Manufacturing of Cotton Made Ups.

During the year Company has generated revenue from Sale of Goods.

BUSINESS RISK MANAGEMENT:

The Management has implemented business risk management policy. At present the company has not identified any elements of risk which may threaten the existence of the company. The company has Risk Management Policy to report genuine concerns or grievances of directors and employees and to deal with instance of fraud and mismanagement, if any.



NEELAM GARMENTS

NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

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EXTRACT OF ANNUAL RETURN:

The Details forming part of the extract of annual return in Form MGT-9 is annexed herewith as "Annexure B".

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

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

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redress) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2020-2021.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:


Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).


ACKNOWLEDGEMENTS:

The Company and its Directors wish to extend their sincerest Thanks to all with whose help, cooperation and hard work the company was able to function effectively till date. The company has duly made all the required compliances of all the applicable act , rules, laws and regulations and carries best practice for the compliance in the same.

By Order of the Board

FOR NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED


(BHAVIN JETHWA)
DIRECTOR
DIN: 03111560
Place : Mumbai


(KANTILAL JETHVA)
DIRECTOR
DIN: 03111562
Date : 20th November, 2021

DINESH MEHTA & ASSOCIATE

CHARTERED ACCOUNTANTS

122, DR. M. G. M. Marg, 2nd Floor, Room No. 20, Mumbai - 400 004

INDEPENDENT AUDITOR'S REPORT

To the Members of NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 and presentation 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, 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

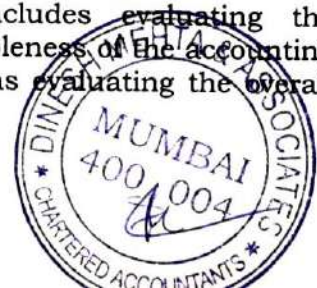
Auditors' Responsibility

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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, 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 on the financial statements.

Opinion

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 and its profits for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The report does not include a statement 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, since the company falls into exempted category.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and the Statement of Profit and Loss 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to 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 A", and
 - g. 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For DINESH MEHTA & ASSOCIATE
CHARTERED ACCOUNTANTS
Firm Registration No. 125938W

DINESH MEHTA, Proprietor
Membership No. 118776

Place: Mumbai

Date: 20th NOVEMBER, 2021



DINESH MEHTA & ASSOCIATE

CHARTERED ACCOUNTANTS

122, DR. M. G. M. Marg, 2nd Floor, Room No. 20, Mumbai - 400 004

Annexure A to Independent Auditors' Report

Referred to in under the heading of "Report on Other Legal & Regulatory Requirements" of our report of even date.

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that : -

1. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and locations of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) The Company does not have any Immovable Property & hence reporting on this clause is not applicable.

2. As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.



4. According to the information an explanation given to us, in respect of loans, investments, guarantees and security, the provision of section 185 and 186 of the Companies Act, 2013 have been complied with, as applicable
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable .
6. It has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Act.
- 7 a.) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, Goods and service tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it, though their has been slight delay in few cases.
According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- b.) According to the information and explanations given to us, there are no dues of GST, income tax, custom duty, wealth tax, excise duty and Cess which have not been deposited on account of any dispute as at March 31, 2021
8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
9. According to the information and explanations given to us the term loans have been applied on overall basis for the purpose for which they were raised. The company has not raised any money by way of initial public offer and other public offer (Including Debt Instrument) during the year.



10. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
11. The company is not a public company & hence clause relating to Managerial remuneration is not applicable.
12. The company is not a Nidhi Company hence this clause is not applicable.
13. Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with 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.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Place: Mumbai
Dated: November 20, 2021

For DINESH MEHTA & ASSOCIATES
Chartered Accountants
Firm No 125938W

A handwritten signature in blue ink, appearing to read "Dinesh K. Mehta".

DINESH K. MEHTA
(Proprietor)
Membership No 118776

DINESH MEHTA & ASSOCIATE

CHARTERED ACCOUNTANTS

122, DR. M. G. M. Marg, 2nd Floor, Room No. 20, Mumbai – 400 004

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

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

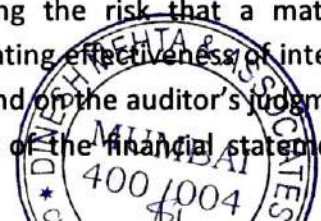
1. We have audited the internal financial controls over financial reporting of NEELAM LINENS & GARMENTS (INDIA) PVT. LTD. as of 31-Mar-2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India" These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. 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.
4. 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.

5. 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

6. 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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



For DINESH MEHTA & ASSOCIATES
Chartered Accountants
Firm No. 125938W


DINESH K. MEHTA
(Proprietor)

Membership No 118776

Place: Mumbai

Dated: November 20, 2021

NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>SCHEDULE</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS FUND</u>			
(a) SHARE CAPITAL	[1]	20,00,000	20,00,000
(b) RESERVES AND SURPLUS	[2]	16,95,73,509	16,32,01,887
<u>NON CURRENT LIABILITIES</u>			
(a) LONG TERM BORROWINGS	[3]	33,06,85,072	52,85,65,395
(b) DEFERRED TAX LIABILITY (NET)	-	NIL	NIL
(c) OTHER LONG TERM LIABILITIES	[4]	19,52,36,462	19,93,62,946
(d) LONG TERM PROVISIONS	[5]	NIL	NIL
<u>CURRENT LIABILITIES</u>			
(a) SHORT TERM BORROWINGS	[6]	NIL	NIL
(b) TRADE PAYABLES	[7]	17,12,201	36,21,055
(c) OTHER CURRENT LIABILITIES	[8]	NIL	NIL
(d) SHORT TERM PROVISIONS	[9]	27,30,690	18,70,160
TOTAL		<u>70,19,37,934</u>	<u>89,86,21,443</u>
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
(a) <u>FIXED ASSETS</u>			
i) TANGIBLE ASSETS	[10]	9,71,51,189	8,26,18,567
ii) INTANGIBLE ASSETS		NIL	NIL
iii) CAPITAL WORK IN PROGRESS		NIL	NIL
(b) DEFERRED TAX ASSETS (Preliminary Exp.)	-	NIL	NIL
(c) LONG TERM LOANS AND ADVANCES	[11]	13,52,32,291	7,55,37,344
(d) OTHER NON CURRENT ASSETS	[12]	NIL	NIL



NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

BALANCE SHEET AS AT 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>SCH-</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
	<u>DULE</u>		
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
(a) CURRENT INVESTMENTS	[13]	1,21,98,900	1,21,98,900
(b) INVENTORIES	[14]	29,02,00,840	34,38,41,080
(c) TRADE RECEIVABLES	[15]	15,23,82,868	26,62,08,424
(d) CASH AND BANK BALANCES	[16]	1,47,71,846	11,82,17,128
(d) SHORT TERM LOANS AND ADVANCES	[17]	NIL	NIL
(e) OTHER CURRENT ASSETS	[18]	NIL	NIL
TOTAL		<u>70,19,37,934</u>	<u>89,86,21,443</u>

NOTES TO ACCOUNTS (19)


AS PER OUR REPORT OF EVEN DATE ATTACHED

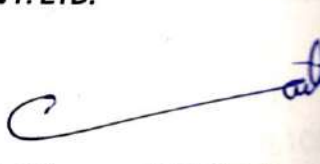
FOR DINESH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS


PROPRIETOR
(CA DINESH K MEHTA)



FOR NEELAM LINENS & GARMENTS
(INDIA) PVT. LTD.


DIRECTOR
(BHAVIN JETHWA)


DIRECTOR
(KANTI JETHVA)

MEMBERSHIP NO. 118776

PLACE : MUMBAI

DATED : NOVEMBER 20, 2021

NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>SCH.</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>INCOMES</u>			
REVENUE FROM OPERATIONS	[19]	79,56,03,056	155,84,64,688
OTHER INCOME	[20]	85,84,370	2,76,15,733
		<u>80,41,87,426</u>	<u>158,60,80,421</u>
<u>EXPENDITURE</u>			
COST OF GOODS MANUFACTURED	[21]	68,85,94,445	135,38,78,033
EMPLOYEE BENEFIT EXPENSES	[22]	4,22,09,090	9,12,23,956
FINANCE COST	[23]	2,13,85,966	1,98,05,086
DEPRECIATION / AMORTIZATION EXPENSES	[24]	68,77,757	70,95,957
OTHER EXPENSES	[25]	3,68,22,062	10,78,43,531
		<u>79,58,89,320</u>	<u>157,98,46,563</u>
PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		82,98,106	62,33,858
EXCEPTIONAL ITEMS		NIL	NIL
PROFIT BEFORE EXTRAORDINARY ITEMS & TAX		82,98,106	62,33,858
EXTRAORDINARY ITEMS (Excess I. T. Provision)		8,04,206	NIL
PROFIT BEFORE TAX		91,02,312	62,33,858
<u>TAXES</u>			
CURRENT TAX		27,30,690	18,70,160
DEFERRED TAX		NIL	NIL
PROFIT / LOSS FROM CONTINUING OPERATIONS		63,71,622	43,63,698
PROFIT / LOSS FROM DISCONTINUING OPERATIONS		NIL	NIL
TAX EXPENSES OF DISCONTINUING OPERATIONS		NIL	NIL
PROFIT FOR THE PERIOD		63,71,622	43,63,698
<u>EARNINGS PER SHARE</u>			
BASIC		31.86	21.82
DILUTED		NIL	NIL



NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021.

NOTES TO ACCOUNTS (19)

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR DINESH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR NEELAM LINENS & GARMENTS
(INDIA) PVT. LTD.


PROPRIETOR
(CA DINESH K MEHTA)



 
DIRECTOR DIRECTOR
(BHAVIN JETHWA) (KANTI JETHVA)

MEMBERSHIP NO. 118776

PLACE : MUMBAI

DATED : NOVEMBER 20, 2021

NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
1. <u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
200000 equity shares of Rs. 10/- each	<u>20,00,000</u>	<u>20,00,000</u>
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
200000 equity shares of Rs. 10/- each		
[155000 (LY 155000) shares held by Bhavin Jethwa, Director]	15,50,000	15,50,000
[20000 (LY 20000) shares held by Kanti Jethwa, Director]	2,00,000	2,00,000
[12500 (LY 12500) shares held by Manjula Jethwa, Director]	1,25,000	1,25,000
[12500 (LY 12500) shares held by Janki Jethwa, Director]	1,25,000	1,25,000
	<u>20,00,000</u>	<u>20,00,000</u>
2. <u>RESERVES AND SURPLUS</u>		
Share Premium	9,45,50,000	9,45,50,000
<u>Surplus in statement of Profit & Loss</u>		
i) Opening Balance	6,86,51,887	6,42,88,189
ii) Add : Profit for the year	63,71,622	43,63,698
iii) Less : Appropriations	NIL	NIL
	<u>16,95,73,509</u>	<u>16,32,01,887</u>
3. <u>LONG TERM BORROWINGS</u>		
Borrowings From Banks	28,43,96,867	44,19,53,718
Borrowings From Other than Banks	4,62,88,205	8,66,11,677
	<u>33,06,85,072</u>	<u>52,85,65,395</u>
4. <u>OTHER LONG TERM LIABILITIES</u>		
Unsecured Loans from Directors (entities other than banks)	19,52,36,462	19,93,62,946
	<u>19,52,36,462</u>	<u>19,93,62,946</u>
5. <u>LONG TERM PROVISIONS</u>		
Long Term Provisions	<u>NIL</u>	<u>NIL</u>
	<u>NIL</u>	<u>NIL</u>
6. <u>SHORT TERM BORROWINGS</u>		
Short Term Borrowings	<u>NIL</u>	<u>NIL</u>
	<u>NIL</u>	<u>NIL</u>



NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>7. TRADE PAYABLES</u>		
Sundry Creditors	17,12,201	36,21,055
	<u>17,12,201</u>	<u>36,21,055</u>
<u>8. OTHER CURRENT LIABILITIES</u>		
Current Liabilities	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>9. SHORT TERM PROVISIONS</u>		
Provision For Taxation	27,30,690	18,70,160
	<u>27,30,690</u>	<u>18,70,160</u>

10. TANGIBLE ASSETS

<u>SR. NO.</u>	<u>DESCRIPTION OF AN ASSET</u>	<u>RATES OF DEPRECIATION</u>	<u>WDV AS ON 01/04/2020</u>	<u>ADDITIONS DURING THE YEAR</u>	<u>DEPRECIATION DURING THE YEAR</u>	<u>WDV AS ON 31/03/2021</u>
[1]	AIR CONDITIONERS	4.75%	4,33,843	NIL	20,608	4,13,235
[2]	COMPUTERS AND PRINTERS	16.21%	13,16,064	NIL	2,13,334	11,02,730
[3]	EUREKA FORBES MACHINES	4.75%	1,196	NIL	57	1,139
[4]	FURNITURE AND FIXTURES	6.33%	31,89,757	1,01,409	2,03,776	30,87,390
[5]	GENERATOR	4.75%	25,323	NIL	1,203	24,120
[6]	MOBILE PHONES	4.75%	54,994	NIL	2,612	52,382
[7]	MOTOR CAR	9.50%	5,34,74,541	2,11,57,500	54,87,580	6,91,44,461
[8]	OFFICE PREMISES	3.34%	1,19,73,684	NIL	3,99,921	1,15,73,763
[9]	PLANT AND MACHINERIES	4.75%	1,14,90,264	1,51,470	5,48,666	1,10,93,068
[10]	PATENTS AND TRADEMARKS	-	6,58,901	NIL	NIL	6,58,901
			<u>8,26,18,567</u>	<u>2,14,10,379</u>	<u>68,77,757</u>	<u>9,71,51,189</u>



NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

<u>PARTICULARS</u>	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>11. LONG TERM LOANS AND ADVANCES</u>		
Unsecured, considered good	13,52,32,291	7,55,37,344
	<u>13,52,32,291</u>	<u>7,55,37,344</u>
<u>12. OTHER NON CURRENT ASSETS</u>		
Non Current Assets	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>13. CURRENT INVESTMENTS</u>		
Aspire Linens Inc	1,21,98,900	1,21,98,900
DSP Black Rock Mutual Fund	NIL	NIL
L & T Mutual Fund	NIL	NIL
UTI Opportunities Fund	NIL	NIL
	<u>1,21,98,900</u>	<u>1,21,98,900</u>
<u>14. INVENTORIES</u>		
Closing Stock, Valued & verified by management at lower of cost or market value	29,02,00,840	34,38,41,080
	<u>29,02,00,840</u>	<u>34,38,41,080</u>
<u>15. TRADE RECEIVABLES</u>		
Unsecured considered good over six months	NIL	NIL
Unsecured considered bad & doubtful over six months	NIL	NIL
Others considered good	15,23,82,868	26,62,08,424
Others considered bad & doubtful	NIL	NIL
	<u>15,23,82,868</u>	<u>26,62,08,424</u>
<u>16. CASH & BANK BALANCES</u>		
Balance With Banks in Current Accounts	27,00,787	5,30,653
Balance With Bank in Fixed Deposits Accounts	1,17,00,000	11,76,43,313
Cash In Hand	3,71,059	43,162
	<u>1,47,71,846</u>	<u>11,82,17,128</u>
<u>17. SHORT TERM LOANS AND ADVANCES</u>		
Advances Recoverable in cash or in kind	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>18. OTHER CURRENT ASSETS</u>		
Other Current Assets	NIL	NIL



NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>19. REVENUE FROM OPERATIONS</u>		
Sales	78,19,71,383	153,46,57,902
Drawbacks & Refunds	<u>1,36,31,673</u>	<u>2,38,06,786</u>
	<u>79,56,03,056</u>	<u>155,84,64,688</u>
<u>20. OTHER INCOMES</u>		
Income From Mutual Fund	22,50,880	NIL
Exchange Difference	19,22,146	39,18,642
Interest Subvention	3,19,460	7,81,190
Interest On Fixed Deposits With Banks	40,91,884	38,91,434
GST Refund	NIL	1,90,24,467
	<u>85,84,370</u>	<u>2,76,15,733</u>
<u>21. COST OF GOODS MANUFACTURED</u>		
Opening Stock	34,38,41,080	34,81,29,182
<u>Add</u> : Purchases	62,29,50,969	130,49,81,687
Labour Charges	41,11,869	2,89,16,180
Direct Expenses	<u>78,91,367</u>	<u>1,56,92,064</u>
	97,87,95,285	169,77,19,113
<u>Less</u> : Closing Stock	<u>29,02,00,840</u>	<u>34,38,41,080</u>
	<u>68,85,94,445</u>	<u>135,38,78,033</u>
<u>22. EMPLOYEE BENEFIT EXPENSES</u>		
Director's Remuneration	28,80,000	28,80,000
Salaries & Bonus	3,84,92,820	8,67,27,600
Staff Welfare Expenses	7,08,970	14,63,550
Water Charges	<u>1,27,300</u>	<u>1,52,800</u>
	<u>4,22,09,090</u>	<u>9,12,23,950</u>
<u>23. FINANCE COST</u>		
Interest On Loans & Facilities	<u>2,13,85,966</u>	<u>1,98,05,080</u>
	<u>2,13,85,966</u>	<u>1,98,05,080</u>

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NEELAM LINENS & GARMENTS [INDIA] PVT. LTD.

SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

	<u>31/03/2021</u>	<u>31/03/2020</u>
<u>24. DEPRECIATION / AMORTISATION EXPENSES</u>		
Depreciation On Various Assets	68,77,757	70,95,957
	<u>68,77,757</u>	<u>70,95,957</u>
<u>25. OTHER EXPENSES</u>		
Accounting Charges	80,000	96,000
Advertisement Charges	49,430	2,23,928
Audit Fees	1,50,000	1,11,111
Bank Charges	42,90,945	1,19,41,807
Coolie, Cartage & Hamali Charges	58,96,082	4,81,02,287
Commission & Brokerage	26,97,503	44,82,322
Conveyance Charges	18,41,392	28,07,614
Courier Charges	NIL	8,87,142
Electricity Charges	6,84,227	7,52,885
GST Paid	43,40,294	28,52,880
Insurance Charges	2,56,640	7,35,929
Internet Charges	NIL	66,043
Motor Car Expenses	3,80,427	3,60,182
Office Expenses	4,44,136	9,44,018
Packing & Forwarding Charges	79,33,920	2,54,18,940
Printing & Stationery	2,18,932	5,36,086
Professional Fees	17,41,107	3,66,633
Rent, Rates & Taxes	47,96,182	54,81,630
Repairs & Maintenance	NIL	6,92,024
Telephone Charges	5,81,903	5,57,044
Travelling Expenses	4,38,942	4,27,026
	<u>3,68,22,062</u>	<u>10,78,43,531</u>

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RUPEES

BORROWINGS FROM BANKS :

CC With Axis Bank [Secured Against Inventories & Trade Receivables]	3,76,44,397	
FCDL With Axis Bank [Secured Against Inventories & Trade Receivables]	4,37,54,056	
ECGL With Axis Bank	2,28,00,000	
EPC With Axis Bank [Secured Against Inventories & Trade Receivables]	2,90,00,000	
Unsecured Loans From Deutsche Bank	13,61,626	
EPC With SC Bank [Secured Against Inventories & Trade Receivables]	<u>14,98,36,788</u>	28,43,96,867

BORROWINGS FROM OTHER THAN BANKS :

Unsecured Loan From Reliance Home Finance	3,09,25,157	
Loan From BMW Financial Services [Secured Against Car]	1,51,83,845	
Unsecured Loan From Shri Ram City Union Finance Ltd.	<u>1,79,203</u>	<u>4,62,88,205</u>
		<u><u>33,06,85,072</u></u>

UNSECURED LOANS FROM DIRECTORS AND MEMBERS :

Bhavin K Jethwa	12,91,37,980
Kantilal J Jethva	5,95,67,653
Manjula K Jethwa	11,67,457
Janki B Jethwa	<u>53,63,372</u>
	<u><u>19,52,36,462</u></u>

SUNDRY CREDITORS :

Surendra Textiles	4,04,700
TCS Payable	2,16,740
GST Payable	5,12,236
TDS Payable	<u>5,78,525</u>
	<u><u>17,12,201</u></u>

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SCHEDULES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021.

RUPEES

TRADE RECEIVABLES :

Ocean State Jobbers INC	77,62,482
Yogi International	3,22,54,673
Home Fashion Distributors	1,19,93,575
Imperial Linens	8,87,29,519
Aspire Linens	67,08,714
Sutton Home Fashion	49,33,905
	<u>15,23,82,868</u>

BALANCE WITH BANKS IN CURRENT ACCOUNT :

State Bank Of India [Duty Drawback Account]	15,38,172
CICI Bank (0009)	3,407
Standard Chartered Bank	11,38,688
Bank Of India	9,595
DBI Bank	10,925
	<u>27,00,787</u>

ADVANCES RECOVERABLE IN CASH OR IN KIND :

Rent Deposit	7,50,000
TDS (2021-2022)	4,42,945
TCS (2021-2022)	1,14,346
Deposit With BEST	25,000
Citizen Impex	2,00,000
Suppliers Deposit	13,37,00,000
	<u>13,52,32,291</u>

DIRECT EXPENSES :

Clearing, Forwarding & Freight Charges	78,91,367
	<u>78,91,367</u>

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ACCOUNTING YEAR : 2020 - 2021

ASSESSMENT YEAR : 2021 - 2022

[19] NOTES TO ACCOUNTS :

1. SIGNIFICANT ACCOUNTING POLICIES :

(a) BASIS OF ACCOUNTING :

Financial statements are prepared under the historical cost convention, in accordance with Accounting Standards applicable in India and Mercantile System Of Accounting.

(b) REVENUE RECOGNITION :

(i) INCOMES :

In respect of interest income on deposit , the company accounts such income on an accrual basis.

(ii) EXPENSES :

Expenses are accounted for on an accrual basis.

2. Sundry Debtors and Sundry Creditors balances are subject to confirmations and / or reconciliation, if any.

3. Fixed Assets are recorded at the written down value method after providing the depreciation at the rates prescribed under the Companies Act, 1956.

4. AUDITOR'S REMUNERATION :

	<u>31/03/2021</u>	<u>31/03/2020</u>
As an Auditor	1,50,000	1,11,111
For Taxation Matters	NIL	NIL
For Company Law Matters	NIL	NIL
For Others	NIL	NIL

5. Closing Stock has been physically verified and certified by the directors.

6. Contingent Liability of Rs. 4,55,01,724/- under appeal before CIT (A) for AY 2017-2018.

For **DINESH MEHTA & ASSOCIATE**
CHARTERED ACCOUNTANTS

For **NEELAM LINENS & GARMENTS (INDIA) PVT LTD.**

PROPRIETOR
PLACE : MUMBAI



DIRECTOR

DIRECTOR

DATED : NOVEMBER 20, 2021