

***NEELAM LINENS***

***&***

***GARMENTS (INDIA)***

***PRIVATE LIMITED***

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***STATEMENT OF***

***AUDITED ACCOUNTS***

***FOR THE YEAR ENDED 31ST MARCH, 2022***



NEELAM GARMENTS

NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

## NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the company will be held on, September 30, 2022 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, 2022.
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 : SEPTEMBER 22, 2022

### 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.



NEELAM GARMENTS

NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

### DIRECTOR'S REPORT

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

Your Directors have pleasure in presenting their 11th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2022.

#### **Financial Summary:**

<b>PARTICULARS</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Income from Operations</b>		
Revenue from Sale of Goods	101,52,66,857	78,19,71,383
Revenue from Sale of Services	NIL	NIL
Other Operating Revenue	1,10,88,369	1,36,31,673
Other Income	15,11,282	85,84,370
<b>Total Income from Operations</b>	<b>102,78,66,508</b>	<b>80,41,87,426</b>
Profit/(Loss) Before Depreciation & Taxes	3,65,50,916	1,51,75,863
Less: Depreciation	88,42,152	68,77,757
<b>Profit/(Loss) before Taxation</b>	<b>2,77,08,764</b>	<b>82,98,106</b>
<b>Less: Tax Expenses</b>		
Current Tax Expenses for Current Year	95,13,107	27,30,690
MAT Credit Entitlement	NIL	NIL
Excess I. T. Provisions	NIL	(8,04,206)
Deferred Tax	79,02,549	NIL
<b>Profit/(Loss) after Tax</b>	<b>1,02,93,108</b>	<b>63,71,622</b>
Profit/(Loss) brought forward from previous year	<b>7,50,23,509</b>	<b>6,86,51,887</b>
<b>Surplus available for Appropriations</b>	<b>8,53,16,617</b>	<b>7,50,23,509</b>
<b>Appropriations</b>		
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	<b>8,53,16,617</b>	<b>7,50,23,509</b>



NEELAM GARMENTS

NEELAM LINENS & GARMENTS (INDIA) PVT. LTD.

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**OPERATIONAL REVIEW:**

The Company is engaged in the business of Manufacturing of Cotton Made Ups. During the year Gross revenues increased to Rs. 102,78,66,508/- against Rs. 80,41,87,426/- in the previous financial year. Profit before Depreciation and Taxation in the current year increased to Rs. 3,65,50,916/- against Rs. 1,51,75,863/- in the previous financial year. After providing for Depreciation and Taxation, the net profit of the Company in the current year increased to Rs. 1,02,93,108/- against Rs. 63,71,622/- in the previous financial year. The Company expects a good business in forthcoming years.

**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 18/06/2021, 22/09/2021, 28/10/2021, 20/11/2021, 31/12/2021, 24/01/2022 and 27/03/2022. One Annual General Meeting will be held on 30/11/2021. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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**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.
- 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.



**: 4 :****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. 48,18,81,610/- on account of export sales.

**DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

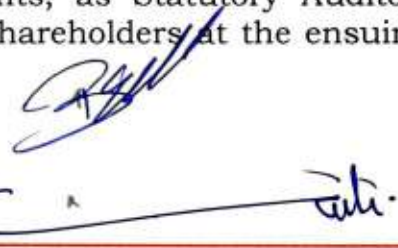
There is no such company which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

**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 30<sup>th</sup> day of September, 2022, 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 7<sup>th</sup> 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.

**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.



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**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 : 22nd September, 2022





# **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, 2022, 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, 2022 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: SEPTEMBER 22, 2022**



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# **DINESH MEHTA & ASSOCIATE**

## **CHARTERED ACCOUNTANTS**

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

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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.

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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.

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*[Handwritten signature]*



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, 2022
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.

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*[Handwritten initials]*






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: September 22, 2022

For DINESH MEHTA & ASSOCIATES  
Chartered Accountants  
Firm No 125938W

  
DINESH K. MEHTA  
(Proprietor)  
Membership No 118776

  
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# **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-2022 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.



*(Signature)*

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India



Place: Mumbai  
Dated: September 22, 2022

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For DINESH MEHTA & ASSOCIATES  
Chartered Accountants  
Firm No 125938W

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DINESH K. MEHTA  
(Proprietor)  
Membership No 118776

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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED****CIN: U17299MH2010PTC208010****BALANCE SHEET AS AT 31st MARCH, 2022**

	Particulars	Note No.	As At 31st March, 2022	As At 31st March, 2021
			Rs.	Rs.
<b>A</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Equity</b>			
	(a) Share Capital	2	2,000,000	2,000,000
	(b) Reserves & Surplus	3	179,866,617	169,573,509
<b>2</b>	<b>Non Current Liabilities</b>			
	(a) Long Term Borrowings	4	482,906,241	478,392,718
	(b) Deferred Tax Laibility	5	7,902,549	-
<b>3</b>	<b>Current Liabilities</b>			
	(a) Trade Payables	6		
	(i) Total outstanding dues of micro enterprises and small enterprises		2,456,706	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		115,142,751	404,700
	(b) Other Current Liabilities	7	1,037,607	1,307,501
	(c) Short-term Borrowings	9	37,575,967	47,528,816
	(d) Short-term Provisions	10	16,820,385	2,173,399
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>845,708,822</b>	<b>701,380,644</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant & Equipment and Intangible Assets	8		
	(i) Property, Plant and Equipment		100,212,147	96,492,289
	(ii) Intangible assest		658,901	658,901
	(b) Long term loans and advances	12	152,877,311	146,873,900
<b>2</b>	<b>Current assets</b>			
	(a) Inventory	13	393,361,854	290,200,840
	(b) Trade Receivable	14	171,666,308	152,382,868
	(c) Cash & Cash Equivalents	15	19,869,019	14,771,846
	(d) Other Current Assets	16	7,063,284	-
	<b>TOTAL ASSETS</b>		<b>845,708,822</b>	<b>701,380,644</b>
	<b>Corporate Information and Significant Accounting Policies</b>	1		
	<b>Commitments &amp; Contingencies</b>	11		
	<b>Notes to Accounts</b>	2 to 22		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR DINESH MEHTA & ASSOCIATES  
CHARTERED ACCOUNTANTSPROPRIETOR  
(CA DINESH K MEHTA)

MEMBERSHIP NO. 118776

PLACE: MUMBAI

DATED: SEPTEMBER 22, 2022



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

DIRECTOR  
(BHAVIN JETHWA)DIRECTOR  
(KANTI JETHWA)



**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**  
**CIN: U17299MH2010PTC208010**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2022**

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
			Rs.	Rs.
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from Operations	16	1,026,355,226	795,603,056
2	Other Income	17	1,511,282	8,584,370
	<b>Total Income</b>		<b>1,027,866,508</b>	<b>804,187,426</b>
3	<b>Expenses</b>			
	(a) Cost of Goods Manufactured & Sold	18	839,361,766	676,591,209
	(b) Employee Benefits Expense	19	54,243,388	46,320,959
	(c) Administrative & Operating Expenses	20	69,967,775	44,713,429
	<b>Total expenses</b>		<b>963,572,930</b>	<b>767,625,597</b>
4	<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (3-4)</b>		<b>64,293,578</b>	<b>36,561,829</b>
	(a) Finance Costs	21	27,742,662	21,385,966
	(b) Depreciation and Amotisation Expenses	22	8,842,152	6,877,756
6	<b>Profit/ (Loss) before Tax</b>		<b>27,708,764</b>	<b>8,298,107</b>
7	<b>Extraordinary ITEMS</b>			
	Excess IT Provision		-	804,206
8	<b>Tax Expenses</b>			
	(a) Current Tax expense for current year		9,513,107	2,730,690
	(b) Deferred Tax Liability		7,902,549	-
9	<b>Profit / (Loss) from continuing operations (6-7)</b>		<b>10,293,108</b>	<b>6,371,623</b>
#	<b>Profit / (Loss) from discontinuing operations</b>			
<b>C</b>	<b>TOTAL OPERATIONS</b>		<b>10,293,108</b>	<b>6,371,623</b>
#	<b>Profit / (Loss) for the year Carried to Balance Sheet</b>		<b>10,293,108</b>	<b>6,371,623</b>
#	<b>Earning Per Share</b>			
	Basic		51.47	31.86
	Diluted		Nil	Nil
	<b>Corporate Information and Significant Accounting Policies</b>			
	<b>Notes to Accounts</b>	1 2 to 21		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR DINESH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANTS

PROPRIETOR  
(CA DINESH K MEHTA)

MEMBERSHIP NO. 118776

PLACE: MUMBAI

DATED: SEPTEMBER 22, 2022



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

DIRECTOR  
(BHAVIN JETHWA)

DIRECTOR  
(KANTI JETHVA)

**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**  
Notes forming part of the financial statements for the Year Ended 31st March, 2022

**Note - 2**  
**SHARE CAPITAL**

	Particulars	As at 31 March, 2022		As at 31 March, 2021	
		Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
(A)					
a)	<b>Authorised Share Capital</b>				
	Equity Shares of Rs.10 each with Voting Rights	200,000	2,000,000	200,000	2,000,000
b)	<b>Issued, subscribed and paid up</b>				
	Equity Shares of Rs.10 each with Voting Rights	200,000	2,000,000	200,000	2,000,000
	<b>Total</b>	<b>200,000</b>	<b>2,000,000</b>	<b>200,000</b>	<b>2,000,000</b>

**(B) Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year**

Particulars	No. of Shares	No. of Shares
Equity shares as at the beginning of the year	200,000	200,000
Add : Issued during the year	-	
Equity shares as at the end of the year	<b>200,000</b>	<b>200,000</b>

**(C) Disclosure of Promoter Shareholding**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

	Name of the shareholders	As at 31 March 2022		As at 31 March 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Bhavin Jethwa (Director)	155,000	78%	155,000	78%
2	Kanti Jethwa (Director)	20,000	10%	20,000	10%
3	Manjula Jethwa (Director)	12,500	6%	12,500	6%
4	Janki Jethwa (Director)	12,500	6%	12,500	6%
	<b>Total</b>	<b>200,000</b>	<b>100%</b>	<b>200,000</b>	<b>100%</b>

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

	Name of the shareholders	As at 31 March 2021		As at 31 March 2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Bhavin Jethwa (Director)	155,000	78%	155,000	78%
2	Kanti Jethwa (Director)	20,000	10%	20,000	10%
3	Manjula Jethwa (Director)	12,500	6%	12,500	6%
4	Janki Jethwa (Director)	12,500	6%	12,500	6%
	<b>Total</b>	<b>200,000</b>	<b>100%</b>	<b>200,000</b>	<b>100%</b>

The Company has neither issued any bonus shares nor any shares for consideration other than cash during five years immediately preceding March 31, 2022. There has not been any buyback of shares in the five years immediately preceding March 31, 2022.

**Note - 3**  
**RESERVES & SURPLUS**

Particulars	For the year ended	For the year ended
	31st March, 2022	31st March, 2021
	Rs.	Rs.
<b>Share Premium</b>	<b>94,550,000</b>	<b>94,550,000</b>
<b>Profit &amp; Loss</b>		
Opening balance	75,023,509	68,651,887
Add: Net profit after tax transferred from statement of profit & loss	10,293,108	6,371,622
Amount available for appropriation	85,316,617	75,023,509
Less: Appropriations	-	-
Balance in profit & loss account	85,316,617	75,023,509
<b>Net surplus/ (deficit) in the statement of profit and loss</b>	<b>179,866,617</b>	<b>169,573,509</b>

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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**

Notes forming part of the financial statements for the Year Ended 31st March, 2022

**Note - 4**

**LONG-TERM BORROWINGS**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2021
	Non Current	Current	Non Current	Current
<b>Secured Borrowing</b>				
Loan From Bank/NBFCs	257,485,396	11,044,368	254,948,981	5,625,708
<b>Unsecured Borrowing</b>				
Loan From NBFCs	30,674,233	7,813,812	28,207,275	4,258,711
Loan From Directors & Relatives	194,746,613	-	195,236,462	-
	<b>482,906,241</b>	<b>18,858,180</b>	<b>478,392,718</b>	<b>9,884,419</b>

**Note - 5**

**TRADE PAYABLES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
<b>Sundry Creditors</b>		
Other	115,142,751	404,700
Micro, small and medium enterprises	2,456,706	-
	<b>117,599,457</b>	<b>404,700</b>

**Note - 6**

**OTHER CURRENT LIABILITIES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
<b>Duties &amp; Taxes</b>		
TDS Payable	700,669	578,525
TCS payable	336,937	216,740
GST Payable	-	512,236
	<b>1,037,607</b>	<b>1,307,501</b>

**Note - 7**

**SHORT-TERM BORROWINGS**

Particulars	31st March 2022	31st March 2021
	Rs.	Rs.
<b>Secured</b>		
<b>Bank overdraft</b>		
AXIS BANK LTD (917030060678702)	18,274,621	37,644,397
ICICI BANK ( 032351000009)	443,165	-
<b>Current Maturities</b>	18,858,180	9,884,419
	<b>37,575,967</b>	<b>47,528,816</b>

**Note - 9**

**SHORT TERM PROVISIONS**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Provision for gratuity	7,315,870	-
<b>Provision for Taxation</b>		
For F.Y 2020-21	901,818	-
For F.Y 2021-22	9,513,107	2,730,690
TCS receivable	(591,860)	(114,346)
TDS receivable	(318,550)	(442,945)
	<b>16,820,385</b>	<b>2,173,399</b>



**Note - 10**  
**DEFERRED TAX LIABILITY**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
<b>Opening Balance</b>	-	-
Deferred Tax Liability	7,902,549	-
	<b>7,902,549</b>	<b>-</b>

\* Based on Management Representation, virtual certainty for reversal of Deferred Tax Asset is only restricted to asset already created & recognized in the books.

Hence no new Deferred Tax Asset has been created during the current year.

**Note - 11**  
**Commitments & Contingencies**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Claims not Acknowledged as debts	11,187,923	11,187,923
Income Tax Demand (under 11 Act 1961)	40,951,552	40,951,552
	<b>52,139,475</b>	<b>52,139,475</b>

Future cash flows in respect of matters considered disputed are determinable only on receipt of judgements pending at various forums/authorities.

The management does not expect these claims to succeed and accordingly no provision for the contingent liability has been recognized in the financial statements

**Note - 12**  
**Non Current Loans & Advances**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
ASPIRE LINENS INC INVESTMENT	12,198,900	12,198,900
<b>Security Deposits</b>		
ANANDGHAN TEXTILE (DEPOSIT)	10,000,000	10,000,000
BHAVESH ENTERPRISE	10,000,000	10,000,000
FORTUNE WEAVING MILLS	34,630,340	32,500,000
HARIOM	32,500,000	32,500,000
NILANJAL TEXTILE	25,000,000	25,000,000
SANWARIA FASHION	23,700,000	23,700,000
ENAI TRADING AND INVESTMENT (LY)	3,873,071	-
CITIZEN IMPEX	200,000	200,000
DEPOSIT WITH BEST	25,000	25,000
FACTORY RENT DEPOSIT	750,000	750,000
	<b>152,877,311</b>	<b>146,873,900</b>

**Note - 13**  
**CASH & CASH EQUIVALENTS**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
<b>Balance With Scheduled Banks in Current Accounts</b>		
AXIS BANK LTD ( 917020084608919)	6,312	-
BANK OF INDIA	-	9,595
ICICI BANK ( 032305001722 )	23,104	-
ICICI BANK ( 009 )	-	3,407
IDBI Bank	-	10,925
STANDARD CHARTERED BANK (225061	6,636,102	1,138,688
STATE BANK OF INDIA (DUTY DRAWB.	536,262	1,538,172
Fixed Deposits with Banks	12,200,000	11,700,000
Cash in Hand	467,239	371,059
	<b>19,869,019</b>	<b>14,771,846</b>

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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**  
Notes forming part of the financial statements for the Year Ended 31st March, 2022

**Note - 14**

**TRADE RECEIVABLES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Secured Considered good:	-	-
Unsecured considered good	171,666,308	152,382,868
	171,666,308	152,382,868

**Note - 15**

**OTHER CURRENT ASSETS**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
GST receivable	2,513,108	-
Input GST	4	-
Tax paid Against Appeal	4,550,172	-
	7,063,284	-

**Note - 16**

**REVENUE FROM OPERATIONS**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Revenue from Operations	1,015,266,857	781,971,383
Duty & Drawback	11,088,369	13,631,673
	1,026,355,226	795,603,056

**Note - 17**

**OTHER INCOMES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Income From Mutual Fund	-	2,250,880
Exchange Gain	73,558	1,922,146
Interest Income	673,143	4,091,884
Interest Subvention	-	319,460
Profit on sale of Fixed Asset	-	-
Miscellaneous Income	764,581	-
	1,511,282	8,584,370

**Note - 18**

**COST OF GOODS MANUFACTURED & SOLD**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Opening Inventory	290,200,840	343,841,080
(+) Purchase	942,522,780	622,950,969
(-) Closing Inventory	(393,361,854)	(290,200,840)
	839,361,766	676,591,209

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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**  
**Notes forming part of the financial statements for the Year Ended 31st March, 2022**

**Note - 19**

**EMPLOYEE BENEFIT EXPENSES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Salary	53,946,513	45,611,989
Staff Welfare	296,875	708,970
<b>Total</b>	<b>54,243,388</b>	<b>46,320,959</b>

**Note - 20**

**ADMINISTRATIVE & OPERATING EXPENSES**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Accounting Charges	-	80,000
Bank Charges	352,160	4,290,945
Commission & Brokerage	3,505,735	2,697,503
Courier Charges	303,813	-
Conveyance Charges	-	1,841,392
Donation	82,275	-
Electricity Expense	287,958	684,227
Rent, Rates & Taxes	5,967,483	4,796,182
GST Paid	-	4,340,294
Office Expenses	23,238	444,136
Other Expense	4,206,710	49,430
Freight, Clearing & Forwarding	47,977,533	21,721,369
Insurance Charges	792,928	256,640
Internet Charges	19,600	-
Telephone & Internet	-	581,903
Transport Charges	2,235,085	-
Testing Charges	6,700	-
Travelling	800	438,942
Legal & Professional Fees	3,769,345	1,741,107
Motor Car Expense	50,000	380,427
Printing & Stationery	16,000	218,932
Repairs & Maintenance	194,687	-
<b>Audit Fees-</b>		
a) For Statutory Audit	175,724	150,000
b) For Tax Audit	-	-
c) Others	-	-
<b>Total</b>	<b>69,967,775</b>	<b>44,713,429</b>

**Note - 21**

**FINANCE COST**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Processing Fees & Pre-Closure Charges	720,292	-
Interest on Loan	27,022,370	21,385,966
<b>Total</b>	<b>27,742,662</b>	<b>21,385,966</b>

**Note - 22**

**Amortization Expense**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
	Rs.	Rs.
Depreciation	8,842,152	6,877,757
<b>Total</b>	<b>8,842,152</b>	<b>6,877,757</b>



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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**  
Notes to Financial Statements - Note No. 8

FY - 2021-22

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening as on	Additions	Deductions/ Adjustment	Closing	Total Dep. Up to	For the Period	Adjustments	Total Dep. Up to	W.D.V.as on	W.D.V.as on
	1st April 2021			31st March 2022	1st April 2021	1st April 2021-31st March 2022		31st March 2022	31st March 2022	1st April 2021
<b>Tangible Assets</b>										
Air conditioner	455,478			455,478	42,243	19,629		61,871	393,607	413,235
Computer Printer	1,570,670			1,570,670	467,940	178,753		646,693	923,977	1,102,730
Eureka Forbes Machine	1,256			1,256	117	54		171	1,085	1,139
Furniture & Fixtures	3,506,722			3,506,722	419,332	195,432		614,764	2,891,958	3,087,390
Generator	26,586			26,586	2,466	1,146		3,612	22,974	24,120
Mobile Phone	57,736			57,736	5,354	2,488		7,842	49,894	52,382
Motor Car	80,245,391	10,000,000		90,245,391	11,100,930	7,518,724		18,619,654	71,625,737	69,144,461
Office Premises	12,387,424			12,387,424	813,661	386,564		1,200,225	11,187,199	11,573,763
Plant and Machinery	12,214,739	2,562,011		14,776,750	1,121,671	539,364		1,661,035	13,115,715	11,093,068
<b>Total</b>	<b>110,466,002</b>	<b>12,562,011</b>	<b>-</b>	<b>123,028,013</b>	<b>13,973,713</b>	<b>8,842,152</b>	<b>-</b>	<b>22,815,866</b>	<b>100,212,147</b>	<b>96,492,289</b>
<b>Intangible Assets</b>			<b>-</b>	<b>123,028,013</b>						
Patents & Trademarks	658,901			658,901	-	-	-	-	658,901	658,901
<b>Total</b>	<b>111,124,903</b>	<b>12,562,011</b>	<b>-</b>	<b>123,686,914</b>	<b>13,973,713</b>	<b>8,842,152</b>	<b>-</b>	<b>22,815,866</b>	<b>100,871,048</b>	<b>97,151,190</b>
<b>Previous Year</b>	<b>89,714,524</b>	<b>21,410,379</b>	<b>-</b>	<b>111,124,903</b>	<b>7,095,957</b>	<b>6,877,756</b>	<b>-</b>	<b>13,973,713</b>	<b>97,151,190</b>	<b>82,618,567</b>

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**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**

Details to Notes for the year ended 31 March 2022

**Particulars****List to Notes to Accounts****List of Unsecured Loan from Banks/NBFCs**

Particulars	Amount
DAIMLER FINANCIAL SERVICES INDIA PVT LTD	8,196,809
LOAN FROM DEUTSCHE BANK (LOAN)	3,624,790
LOAN FROM RELIANCE HOME FINANCES LTD (LOAN)	26,666,446
	<b>38,488,045</b>

**List of secured Loan from Banks/NBFCs**

Particulars	Amount
AXIS BANK 917060060696567 FCDL	(961,664)
AXIS BANK A/C NO. 920060049787583(ECGL)	20,410,072
AXIS BANK EPC	62,461,929
STANDARD CHARTERED BANK (EPC)	152,572,033
STANDARD CHARTERED BANK (NEW LOAN ECLG)	20,000,000
IGRO INDITRADE CO LENDING DISBURSE	2,350,089
BMW INDIA FINANCIAL SERVICE	11,697,305
	<b>268,529,764</b>

**List of Unsecured Loan from Director & Relative**

Particulars	Amount
BHAVIN KANTILAL JETHWA	140,397,874
KANTILAL JIVRAM JETHVA	47,993,118
JANKI BHAVIN JETHVA	5,635,164
MANJULA KANTILAL JETHVA	720,457
	<b>194,746,613</b>

**Sundry Debtors**

Particulars	Amount
NET IMPEX	14,088
AGRIM IMPEX	1,903,216
WID INTERNATIONAL	-1,000
GLOBAL EXIM	60,558
IMPERIAL LINENS	98,156,303
LINA LAB LTD	1,596,557
MADHU EXPORTS ( 21-22 )	5,082,226
NEERAJ ENTERPRISES	49,896

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NICKUNJ EXIMP ENTERPRISES PVT LTD	473,524
PADMAVATI ENTERPRISE	13,086
SHIVANSH INTERNATIONAL	20,013,683
SUTTON HOME FASHIONS	4,933,905
YOGI INTERNATIONAL	39,370,266
	<b>171,666,308</b>

### Sundry Creditors

Particulars	Amount
<b>Micro, small and medium enterprises</b>	
AARTII ENTERPRISE	114,330
ASSOCIATED CONTAINER LINE PVT LTD	1,842,497
MAHENDRA TRADING COMPANY	133,249
SAHIL ARTS	162,188
WELPRINT	181,314
YASH BARCODE SOLUTION	23,128
	<b>2,456,706</b>
<b>Others</b>	
ACCORD GLOBAL EXPRESS PVT LTD	51,868
AMISHA POLYMERS	515,815
ANANDGHAN TEXTILE	122,044
ANMOL TEXTILES	312,753
ATC GLOBAL LOGISTICS PVT LTD	118,453
BALAJI ENTERPRISES ( PURCHASE)	11,098,734
Dinesh Mehta	778,710
EMINENCE	243,053
HARI OM & CO (NEW)	85,092
HARSH PLASTICS	348,803
HIMATSINGKA LINENS	11,296,582
IDEAL PACKAGING	592,192
JASMINA ENTERPRISE	1,261,900
JISHAN ENTERPRISES	711,924
KIKANI INTERNATIONAL PRIVATE LIMITED	250,000
MADHU CORPORATE SERVICES	27,561
MALANI TRANSPORT SOLUTIONS	92,015
MOONGIPA ROADWAYS PVT .LTD	18,082
NAMO PEEGEE TEXTILES PVT. LTD.	124,434
NEW STAR TRADERS	499,993
NICE PACKAGING	434,936
NILANJAN TEXTILES	517,408
PAPIER & KARTONS	914,339
PADMAVATI ENTERPRISE	(5,861)
PRADIP INTERNATIONAL (PURCHASE)	79,469,750
RAHIM ENTERPRISES	118,092
Rupa Mehta	450,000
SAR TRANSPORT SYSTEMS PVT LTD	1,095,559
SIGMA INDUSTRIES	145,981
STERLING TRANSLOGISTICS PVT LTD	19,600

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SUBHI HOME TEX	478,606
SUN ENTERPRISE	452,251
SURENDRA TEXTILES	404,700
TRIM SOLUTIONS	184,173
TRIDENT LIMITED	(1,202)
TRISTAR FREIGHT FORWARDERS	1,689,266
UNITED LINER SHIPPING SERVICES LLP	225,144
	<b>115,142,751</b>

  
 ( C<sup>α</sup> ) 



**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**

CIN: U17299MH2010PTC208010


**Cash Flow Statement for the year ended 31st March 2022**

Particulars	As on	As on
	31st March, 2022	31st March, 2021
<b>A) Cashflow From Operating Activities</b>		
Net Profit Before Tax	10,293,108	6,663,689
<b>Adjustments for:</b>		
Depreciation on Fixed Assets	8,842,152	6,877,757
Interest Expense	27,742,662	21,385,966
Interest Income	(1,511,282)	(8,584,370)
Short Term Provisions for Expenses	14,646,986	3,304,206
Profit on sale of Fixed Asset	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>60,013,627</b>	<b>29,647,248</b>
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Trade Receivables	(19,283,440)	113,825,556
(Increase)/Decrease in Other Current Assets	(16,576,391)	(59,700,000)
(Increase)/Decrease in Inventory	(103,161,014)	-
(Increase)/Decrease in Other Non Current Assets	(6,003,411)	53,640,240
Increase/(Decrease) in Trade Payables	117,194,757	(633,900)
Increase/(Decrease) in Other Current Liabilities	(269,894)	(1,274,954)
Increase/(Decrease) in Short Term Borrowings	(9,952,849)	(95,761,634)
Increase/(Decrease) in Short Term Provisions	-	727,032
<b>Cash generated from Operations</b>	<b>21,961,384</b>	<b>40,469,588</b>
Less:- Income Tax Paid	-17,415,656	3,457,722
<b>Net Cash Flow from Operating Activities</b>	<b>39,377,040</b>	<b>37,011,866</b>
<b>B) Cash Flow From Investing Activities : *</b>		
<b>Sale of Fixed Asset</b>		
Purchase of Fixed Assets/(Sale of Fixed Asset)	(12,562,010)	(21,410,380)
Interest Income	1,511,282	8,584,370
<b>Net Cash Flow from Investing Activities</b>	<b>(11,050,729)</b>	<b>(12,826,010)</b>
<b>C) Cash Flow from Financing Activities :</b>		
Issue of Share Capital/Debentures	-	-
Increase/(Decrease) in Long Term Borrowings	4,513,523	(106,245,173)
Interest Paid	(27,742,662)	(21,385,966)
<b>Net Cash Flow from Financing Activities</b>	<b>(23,229,139)</b>	<b>(127,631,139)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,097,172</b>	<b>(103,445,283)</b>
<b>Cash Equivalent at the beginning of the year</b>	<b>14,771,844</b>	<b>118,217,128</b>
<b>Cash Equivalent at the end of the year</b>	<b>19,869,021</b>	<b>14,771,844</b>

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR DINESH MEHTA &amp; ASSOCIATES

CHARTERED ACCOUNTANTS

  
 PROPRIETOR  
 (CA DINESH K MEHTA)


MEMBERSHIP NO. 118776

PLACE: MUMBAI

DATED: SEPTEMBER 22, 2022



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

  
 DIRECTOR  
 (BHAVIN JETHWA)

  
 DIRECTOR  
 (KANTI JETHWA)

**NEELAM LINENS & GARMENTS (INDIA) PRIVATE LIMITED**

**CIN: U17299MH2010PTC208010**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31 MARCH 2022**

**Corporate Information**

The Company was incorporated on September 22, 2010 as a Private Limited Company. The Company carries on the business of manufacturing & trading of cotton made ups.

**NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

**Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those

**Fixed assets**

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

**Depreciation**

Depreciation on Tangible Assets has been provided on Written Down Value (WDV) method and depreciation on Intangible Assets has been provided on Straight Line Method (SLM) method and computed as per the depreciation rate specified in the manner prescribed in the Companies Act, 1956 including pro rata depreciation on addition made during the year.

The rate of depreciation considered for depreciation followed are as follows:

- Furniture and Fixture - 6.33%
- Computers - 16.21%
- Plant & Machinery - 4.75%
- Motor Car - 9.50%
- Office Premises- 3.34%


**Revenue recognition**

Income from Sale of Goods is recognized on transfer of property in goods to the buyer for a consideration and here is reasonable certainty of income being realized.

**Inventories**

Inventories are valued as under:-

- Inventories : Lower of cost or net realizable value
- Scrap : At net realizable value

  
/ C. at



## Taxes on Income

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been instantaneously enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in the future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassess

## Current and non-current classification

The Company presents assets and liabilities in the balance sheet as restated based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

It is held primarily for the purpose of being traded;

It is expected to be realised within 12 months after the reporting date; or

It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

It is expected to be settled in the Company's normal operating cycle;

It is held primarily for the purpose of being traded

It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of debt instruments do not affect its classification.

All other liabilities are classified as non-current.

## Provision, Contingent Liabilities & Contingent Assets

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

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

Possible obligations which will be confirmed only by future events not wholly within the control of the company or

Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

## Contingencies & Events occurring after the balance sheet date

Contingencies occurring after the date of balance sheet, which provide further evidence of conditions that existed at the Balance Sheet or that arise subsequently, are considered up to the date of approval of accounts by the Board of Directors, Where material.



**ix. Others**

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

The various figures of financial statement have been regrouped or reclassified wherever necessary.

Contingent liabilities of Rs. 4,55,01,724/- is on account of demand under section 143 (3) for the Assesment Year 2017-18 which is pending before H'ble CIT (A) and claims not acknowledged as debt with Kotak Mahindra Bank amounted to Rs. 1,11,87,923/-

Auditor's Remuneration for the year ended 31st March, 2022 Rs. 1,75,724/- (Previous Year Rs. 1,50,000)

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