



24th ANNUAL REPORT

2020-2021



S K S TEXTILES LIMITED

(FORMERLY KNOWN AS S K S TEXTILES PRIVATE LIMITED)



CORPORATE INFORMATION

<p>BOARD OF DIRECTORS</p> <p>Mr. Sukanraj Bhabutmal Shah -Chairman & Whole-Time Director Mr. Vicky Sukanraj Shah- Managing Director Mr. Sahil Sukanraj Shah- Whole-Time Director (Resigned w.e.f. 09th December, 2020) Mrs. Sapna Vicky Shah- Non – Executive Director (Resigned w.e.f. 09th December, 2020) Mr. Mihir M Manek – Non Executive Independent Director Mr. Nokhelal Duij Varma- Non Executive Independent Director (Appointed dated: 28/07/2020)</p> <p>KEY MANAGERIAL PERSONNEL</p> <p>CS Akriti Pathak – Company Secretary & Compliance Officer (resigned w.e.f. 30th September, 2020)</p> <p>Mr. Vicky Sukanraj Shah- Chief Financial Officer</p>	<p>STATUTORY AUDITOR Bhatter & Co., Chartered Accountants</p> <p>REGISTRAR AND SHARE TRANSFER AGENT Link Intime India Pvt. Ltd. (Merged with Sharex Dynamic India (Pvt) Ltd Wef 31.08.2020) Address- C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083</p> <p>Email Id- pierricarlo@hotmail.com Website-groupsks.in</p> <p>BANKERS TO THE COMPANY DBS Bank Limited Standard Chartered Bank</p>
<p align="center">24th ANNUAL GENERAL MEETING</p> <p align="center">DAY: Wednesday DATE: 29th September, 2021 TIME: 4:30 P.M.</p> <p>VENUE: Through Video Conferencing (VC)/Other Audio Visual Means(OVAM) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively</p>	



NOTICE

Notice is hereby given that the 24th Annual General Meeting of the members of S K S Textiles Limited will be held on Wednesday, 29th day of September, 2021 at 4:30 PM through Video Conferencing (VC)/Other Audio Visual Means(OVAM) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively, to transact the following business:

ORDINARY BUSINESS:

Item No. 1. Adoption of Financial Statements

To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2021 and the Report of Board of Directors and Auditors' thereon.

Item No. 2 Director Retiring by Rotation

To appoint a Director in place of Mr. Vicky Sukanraj Shah (DIN - 00033963) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 3. Ratification of remuneration of Cost Auditors

To approve and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution**:

“RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the companies (Audit and Auditors) Rule, 2014 (including any statutory modification(s) or re-enactments (s) thereof, for the time being in force), M/s Satish Kumar Gupta, Cost Accountants (FRN:101922) who is appointed as the Cost Auditor of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial year 2020-21 and 2021-22, be paid remuneration not exceeding Rs. 36,000/- (Rupees Thirty Six Thousand Only) per annum exclusive of taxes, travelling and other out of pocket expenses as may be incurred by them in connection with the said assignment”

“RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to take all such steps as may be necessary to give effect to this resolution.”



Item No. 4. SHIFTING OF REGISTERED OFFICE

To approve and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or re-enactment(s) thereof for the time being in force), consent of the members of the Company be and is hereby accorded for shifting the registered office of the Company from the local limits of Mumbai City to the local limits of Thane City w.e.f. 1st October, 2021 or earlier date and that Clause II of the Memorandum of Association of the Company be substituted with the following sub-clause:

“II. The Registered Office of the Company will be situated in the State of Maharashtra”.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the Board, which terms shall deem to include any of its duly constituted committee) or any officer/executive/representative and/or any other person so authorized by the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

By order of the Board of Directors

SD/-

Vicky Sukanraj Shah

Managing Director

(DIN: 00033963)

Date: 03/09/2021

Place: Mumbai



Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 Circular No. 20/2020 dated May 05, 2020 and Circular No. 20/2021 respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 24th AGM of the Company is being conducted through VC / OAVM, which does not require physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC / OAVM.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. The facility for appointment of proxies will not be available for the AGM and hence the Proxy form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. Since the AGM will be held through VC/OVAM, the Route Map is not annexed to this Notice. The proceeding of the AGM shall be deemed to be conducted at the Registered Office of the Company located Gala No.431, Kewal Industrial Estate, 4th Floor, Senapati Bapat Marg, Lower Parel(W) Mumbai - 400013 which shall be deemed Venue of AGM.
4. The instructions for participation by Members are given in the subsequent paragraphs.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 500 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The presence of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.



8. Members may note that the details of the Director seeking re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms an integral part of the notice. Requisite declarations have been received from the Director for seeking his / her re-appointment.
9. Relevant documents and registers will be available for inspection by the members at the Registered Office of the Company on the date of AGM.
10. In case of joint holders attending the Meeting, the first holder as per the Register of Members of the Company will be entitled to vote.
11. Electronic copy of the Notice is being sent to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Notice is being sent in the permitted mode. Members may note that this Notice will also be available on the Company's website i.e. groupsks.com
12. The Corporate Members intending to send their authorized representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the AGM.
13. The register of members and transfer books of the company shall remain closed from Wednesday 23rd day of September, 2021 to Wednesday, 29th day of September, 2021 (both days inclusive) for this Annual General Meeting and for determining the names of members eligible for dividend on Equity Shares, if declared at a meeting.
14. The Annual Report of the Company, circulated to the Members of the Company will also be made available on the Company's website at groupsks.in
15. In compliance with Section 108 of the companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Listing Regulation, the company is not providing e-voting facility as SME listed company is not required to provide e-voting facility to its Shareholders.
16. Statement pursuant to section 102(1) of the Companies Act, 2013 forms part of this notice.



INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members may access the platform to attend the AGM through VC by using the credentials attached with the Notice.
2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such scheduled time.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.



Details of Director Seeking Appointment/ Re-appointment at the Forthcoming Annual General Meeting

Name	Mr. Vicky Sukanraj Shah
Din	00033963
Date of birth	22/01/1987
Qualification	Bachelors of Commerce & Diploma in Business Management
Brief Profile, experience and expertise	Mr. Vicky Sukanraj Shah, aged 44 years, is Managing Director and Chief Financial Officer of our Company. He completed his Bachelor of Commerce from the Mumbai University and also has Diploma in Business Management from Welinkars Institute of Management Development and Research, Mumbai. He, along with his father Mr. Sukanraj Shah is the founder promoter of our Company. Since inception he has been instrumental in the overall marketing finance and operations of the Company. Over the years, he gained vast experience in Finance Marketing , Sales and Day- to-Day operations of the Company
No. of meetings of the Board attended during the year	7
Details of Remuneration Last drwan	
Directorship held in other Companies	Parag Housing Developments Private Limited
Committee Position held in other Companies	NA
Shareholding in S K S Textiles Limited	186,531
Relationship with other Directors, manager and other Key Managerial Personnel's of the Company	Vicky Sukanraj Shah is the Son of Sukanraj Bhabutmal Shah.

Mr. Vicky Sukarnraj Shah is not debarred from holding the Office of Director by virtue of any SEBI order or any other such authority.



Explanatory statement in respect of the Special Business pursuant to section 102(1) of the companies Act, 2013

Item No. 3

The Board of Directors, at its meeting as per the recommendation of the Audit Committee, approved the appointment of M/s Satish Kumar Gupta, Cost Accountants (FRN:101922), as the Cost Auditors of the Company for the Financial year 2020-21 and 2021-22 at a fee not exceeding Rs. 36,000/- (Rupees Thirty Six Thousand Only) per annum inclusive applicable taxes and other out of pocket expenses, for conducting the audit of the cost accounting records of the Company. Pursuant to section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No 3 of the notice for ratification of remuneration payable to the Cost Auditors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Resolutions at Item No 3.

The Board recommends the Resolution at item No 3 for approval of the Members.

Item No. 4

The Company has its factory situated at Thane. Therefore, in order to achieve better operational efficiencies and to cut down the expenses of the Company, the Board of Directors of the Company in its meeting held on September 03, 2021 has approved and recommended the proposal for shifting the Registered Office of the Company from the City of Mumbai to the City of Thane w.e.f. 1st October, 2021.

The aforesaid proposal for shifting of Registered Office of the Company is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner.

As per provisions of Section 12, 13, 110 and other applicable provisions, if any, of the Act and the Rules made thereunder, such shifting of Registered Office from one City to another and alteration of Clause II of the Memorandum of Association of the Company requires the approval of the members of the Company by means of a Special Resolution.

Accordingly, approval of the members is sought for shifting of the Registered Office of the Company from the “City of Mumbai” to the “City of Thane” and consequently for altering Clause II of the Memorandum of Association of the Company to reflect that the registered office of the Company be situated in the State of Maharashtra. All the material documents related to this item will be available for inspection at the Registered Office of the Company.

Your Directors recommend the resolution proposed at Item No. 4 for the approval of members by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice except to the extent of their directorship and shareholding, if any.



BOARD'S REPORT

Dear Shareholder,

The Directors of your Company are pleased to present 24th Annual Report together with the audited Financial Statement for the financial year ended on 31st March 2021.

1. Financial Result

Particulars	31.03.2021	31.03.2020
Revenue from Operations	215,880,348	1,876,888,556
Other Income	11,483,214	5,508,993
Total Revenue	227,363,561	1,882,397,549
Less: Expenditure	911,388,018	1,992,916,885
Profit before exceptional and extraordinary items and tax	(684,024,457)	(110,519,336)
Exceptional Items/Extra Ordinary Items: Deffered Revenue Income	963,800	963,800
Profit before Taxation	(683,060,657)	(109,555,536)
Provisions for Taxation	-	341
Deferred Tax Liability	(10,399,924)	(2,295,951)
Net Profit	(672,660,733)	(107,259,926)

2. Financial Performance:

The Company has earned revenue from operation of Rs. 215,880,348 during the year ended on 31st March, 2021 as against Rs. 1,876,888,556 during the year ended on 31st March, 2020. The Company has also earned other income of Rs 11,483,214 during the year under review as against Rs 5,508,993 earned during the previous year.

The Net loss of the Company during the year under review of Rs. 672,660,733 as compared to net loss of Rs 107,259,926 in the previous year.

3. Dividend

The Board of Directors of the Company has not recommended any dividend during the year under review.

4. Transfer to Reserves:

During the financial year, the Company was not statutorily required to transfer any amount to any reserves. The description of reserves and surplus are given in Note No. 4, forming part of financial statements.



5. Change in Capital Structure of the Company:

Authorized Share Capital -During the year under review, the authorized share capital of the Company is Rs. 3,30,00,000 (Rupees Three Crores Thirty Lakhs Only) divided into 33,00,000 (thirty three lacs) Equity shares of Rs. 10/-

6. Listing of shares:

The Company has been listed on EMERGE platform of National Stock Exchange (NSE) on January 19th January, 2018.

7. Classes of Shares:

As on date, the Company has only one class of share capital i.e. Equity Shares of Rs. 10/- each.

8. Details of Subsidiary/Joint Ventures/Associate Companies:

Since your Company is neither having any subsidiary or associate Company nor has entered into any joint ventures with any other Company.

9. Public Deposits

During the financial year 2020-2021, your Company has not accepted any deposits within the meaning of section 73 & 74 of the Companies Act, 2013 read together with the companies (Acceptance of Deposits) Rules, 2014.

10. Particulars of Loans, Guarantees or Investments

Particulars of loans & Investment as required under section 186 of the Companies Act 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 are given in Note No. 17, forming part of financial statements. There is no Guarantee given during the year under review.

11. Impact of Novel Covid-19 Pandemic

Due to novel COVID-19 outbreak, the Maharashtra Government announced lockdown in four cities of Maharashtra i.e. Mumbai, Pune, Nagpur and Pimpri Chinchwad from the midnight of March 20, 2020 till March 31, 2020. The Government of India announced a nationwide lockdown of 21 days with effect from March 25, 2020, which got extended from time to time to combat the spread of the COVID-19 virus. In compliance with various directives issued by the State / Central authorities, your Company suspended the some operations at the Office and shut the offices with a view to safeguard the risks to the health of the employees of the Company.

12. Secretarial Standard Of ICSI

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively.



13. Implementation Of Corporate Action

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

14. Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure I which forms part of this Report.

15. Dematerialization of Shares:

The Company has entered into Tripartite Agreements with the depositories, National Securities Depository Limited dated 16th October 2017 and with Central Depository Service (India) Limited dated 26th September 2017 for providing Demat facility to its shareholders. For the purpose, the Company has appointed Sharex Dynamic India (PVT) Ltd (Merged with Link Intime India Pvt. Ltd. Wef 31.08.2020) as the Registrar and Share Transfer Agent.

16. Industrial Relations:

During the year under review, your Company enjoyed cordial relationship with the workers and employees at all levels.

17. Directors And Key Managerial Personnel:

1. Resignation:

In compliance with the provisions of Sections 196, 197 & 203 read with Rule 8 of companies (Appointment and remuneration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, Ms. Akriti Pathak, Company Secretary and Compliance officer of your Company resigned w.e.f. 30th September, 2020 Mr. Sahil Shah and Mrs. Sapna Shah resigned from the Board wef 9th December, 2020.

2. Independent Directors

The independent directors have submitted their declaration of independence, as required pursuant to the section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in section 149(6) of the companies Act, 2013. In Compliance with the provision of Section 149(6) ,150 , 152 read with Schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules,2014, Mr. Nokhelal Duij Varma (DIN: 08779260) , Additional Independent Director of the Company was appointed w.e.f. 28th July,2020 and was Regularized in the 23rd Annual General Meeting of the Company.



3. **Retirement by rotation:**

In accordance with the provisions of Section 152(6) of the Companies Act 2013 and in terms of Articles of Association Mr. Vicky Sukanraj Shah (DIN: 00033963) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

18. **Composition of the Board**

The Board of Directors of S K S Textiles Limited is a balanced composition and optimum mix of executive and Non-Executive Directors. They Show active participation at the Board, which enhances the transparency and adds value to their decision making. The board of the Company is headed by an executive Chairman and a Managing Director.

However, the Company is in process of Appointing Women Director and Company Secretary.

The chairman takes the strategic decisions, frames the policy guidelines and extends wholehearted support to Executive Directors, Business Heads and associates.

As at 31st March 2021, the Directors and Key Managerial Personnel of the Company consisted of the following:

S .no	Particulars	DIN/PAN	Designation
1.	Mr. Sukanraj Bhabutmal Shah	00034157	Promoter, Chairman & Whole time Director
2.	Mr. Vicky Sukanraj Shah	00033963	Promoter , Managing Director & Chief Financial Officer
3.	Mr. Sahil Sukanraj Shah	05144943	Promoter & Whole time Director (resigned dated: 09 th December, 2020)
4.	Mr. Mihir M Manek	07254045	Non- executive Independent Director
5.	Mrs Sapna Vicky Shah	07799058	Non –Executive Director (resigned dated: 09 th December, 2020)
6.	Mr. Nokhelal Duij Varma	08779260	Non- executive Independent Director
7.	Ms. Akriti Pathak	FJTTP4587A	Company Secretary & Compliance officer (resigned dated 30 th September,2020)

19. **Auditors**

a) **Statutory Auditors**

Pursuant to Section 139(2) of the Companies Act, 2013 read with rule 6 of Companies (Audit and Auditors) Rules, 2014, M/s. Bhatler & Co. ., Chartered Accountants, (FRN13109W) were appointed for period of 5 years subject to ratification at every subsequent AGM.

Pursuant to Section 40 of Companies Amendment Act 2017, the requirement of ratification of the appointment of the Auditors by the Members at every AGM is not required and hence in the ensuing AGM, ratification of appointment of Statutory Auditors is not sought.

Statutory Auditor's Report

The Statutory Auditor's report dated 30th June 2021 on the financial statements of the Company for FY 2020-21 is unmodified and does not have any reservations, qualifications or adverse remarks.



Details in respect of frauds reported by auditors

No fraud has been reported by the Auditors to the Audit Committee or the Board.

b) Secretarial Auditor:

Pursuant to provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, M/s Sherlyn Rebello & Associates, Company Secretaries has been appointed as Secretarial Auditor of the Company. A Secretarial Audit Report in Form MR-3 given by M/s Sherlyn Rebello & Associates for the Financial Year ended on 31st March, 2021 has been provided in Annexure –II which forms parts of this Directors Report.

c) Cost Auditor

As per the requirement of Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time your Company has appointed M/s Satish Kumar Gupta, Cost Accountants to carry cost Audit.

d) Internal Auditor & Internal Audit Report

The provisions of section 138 of Companies Act, 2013 is applicable to Company and Company has appointed M/s NNK & Co., Chartered Accountants, to carry out Internal Audit based on the recommendation of the Audit Committee

20. Explanation on any adverse remark and comment by the Auditors:

No adverse remark and comments are given by the auditors of the Company including the Statutory, Secretarial and internal Auditor of the Company. The Statutory Auditor has not reported any incident of fraud of the Company during the financial year 2020-21.

However, the Secretarial Auditor of the Company has mentioned few Observations in its Report which are Self Explanatory and the Company is in a process of complying with the same.

21. Details Of Frauds Reported By Auditors Under Sub-Section (12) Of Section 143 Of The Companies Act 2013, Other Than Those Which Are Reportable To The Central Government

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.



22. Weblink of Annual return

The Company is having website www.groupsk.in and annual return has been published on such website.

23. Committees Of The Board

There are currently three committees of the Board, as follows:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholder's Relationship Committee

The Composition of the committees and relative compliances, are in line with the applicable provisions of the Companies Act, 2013 read with Rules and Listing Regulations. Details of term of reference of the Committees, Committees' Membership and attendance at Meetings of the Committees are provided as follows:

1. Audit Committee:

The Company has constituted an Audit Committee in accordance with Section 177(1) of the Companies Act, 2013 .During the financial year 2020-21 Four meeting of the Audit Committee was held on 30.05.2021, 28.07.2020, 12.11.2020, 13.03.2021 the details of the composition of the committee and attendance at its meeting are set out in the following table:

S. No.	Name	Designation	Meeting Held during the tenure	Meeting attended
1.	Mr. Nokhelal Duij Varma	Chairman/Member	4	2
2.	Mr. Mihir M Manek	Member/Chairman	4	4
3.	Mr. Vicky Sukanraj Shah	Member	4	4

All the members of the Audit Committee are financially literate and have relevant accounting financial management expertise as required under the Companies Act, 2013 and Regulation 18 of the listing Regulations.

The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting and its Compliances with the legal and regulatory requirements. The committee oversees the work carried out in the financial reporting process by the Management and the Statutory Auditors and, note the process and safeguards employed by each of them.

Term of reference:

The term of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Obligation Requirements (including any statutory modification(s) or re-enactment or amendment thereof.



2. Nomination and remuneration Committee:

The Company has formed Nomination and Remuneration Committee in line with provisions of Section 178 of the Companies Act 2013. During the year, the Committee met 28/07/2020 and 09/12/2020. The composition of the committee is given below:

S no.	Name	Designation	Attendance
1.	Ms. Sukanraj Bhabutmal Shah	Member	2
2.	Mr. Mihir M Manek	Member	2
3.	Mr. Nokhelal Duij Varma	Chairman	1

The Company has duly formulated and has in place the Nomination and remuneration Policy for appointment and remuneration of Directors, Key Managerial Personnel and Employees of the Company and as required under section 134 the same is available at the Company website www.groupsk.in. The policy formulated by Nomination and Remuneration Committee includes Director's appointment and remuneration including qualifications, positive attributes, independence of a director and other matters as specified under section 178(3) of the Companies act, 2013 and same was approved by the Board of Directors of the Company. All statutorily policies of the Company are available on the website of the Company for investor's reference.

3. Stakeholders Relationship Committee-

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of shareholders'/Investors Grievance, if any, like Transfer/Transmission/Demat of shares, Loss of Certificates; Non-Receipt of Annual Report; Dividend Warrants etc. During the year, the Committee met on 30.05.2021, 28.07.2020, 12.11.2020, 13.03.2021 The composition of the committee is given below

S no.	Name	Designation	Attendance
1.	Mr. Mihir M Manek	Chairman	4
2.	Mr. Vicky Sukanraj Shah	Member	4
3.	Mr. Nokhelal Duij Varma	Member	2

Details of Shareholders' Complaints Received, Solved and Pending as on March 31, 2021

The Company expresses satisfaction with the Company's performance in dealing with investor grievance. The Company has not received any complaints during the year under review. Hence, there were no complaints outstanding as on March 31, 2021.



24. Declaration of Independency by independent Director

The Independent Directors have given their declarations under Section 149(6) and Section 149(7) of the Companies Act, 2013 and the rules made there under. The independent Directors fulfill the conditions relating to their status as an Independent Director as specified in Section 149 of the Act and the Regulation 16(b) of the Listing Regulations.

25. Board Evaluation:

Pursuant to the Provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the chairman and non-Independent Directors was carried out by the Independent Directors in their separate Meeting who also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure for the performance evaluation of the Board of Directors

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meeting and guidance /support to the Management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement of all Board Members.

Evaluation of Independent Directors was done by the entire Board, excluding the director being evaluated.

26. Whistle Blower Policy/Vigil Mechanism:

The Company promotes ethical behaviors in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the directors and employees are free to report violations of law, rules, regulations or unethical conduct, actual or suspected fraud to their immediate supervisor and also have been provided direct access to the chairman of the Audit Committee in exceptional cases or such other persons as may be notified by the Board. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

The Whistle Blower Policy of the Company is also available on the website of the Company at the link www.groupsk.in.

27. Prevention of Insider Trading:



The board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standard of dealing in the Company's Shares.

The insider trading Policy of the Company covering the code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for the prevention of Insider Trading is available on the website www.groupsk.in

28. Risk Management Policy:

In line with regulatory requirements, the Company has framed risk management policy to identify and access with the regulatory risk areas and a risk mitigation process. A detailed exercise is being carried out at regular interval to identify, evaluate, manage and monitor all business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined frame work.

29. Disclosure under the Sexual Harassment of women at a Workplace (Prevention, Prohibition and Redressal), Act 2013

The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place, "Policy on prevention, Prohibition and Redressal of Sexual Harassment." The policy aims to provide protection to employees at the workplace and preventing and redressing complaints of sexual harassment and it covers matters connected or incidental thereto. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has not received any complaint of sexual harassment during the financial year 2019-20.

30. Corporate Governance:

As per regulation 15(2) of the Listing Regulations, the compliance with the Corporate Governance provision shall not be applicable in respect of the following cases of companies:

- a. Listed Entity having paid-up equity share capital not exceeding Rs. 10 crore and net worth not exceeding Rs. 25 crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report for the financial year 2020-21.

31. Corporate Social Responsibility:



As per Section 135 and applicable Rules of the Companies Act 2013, every company having Net Worth of Rs. 500 Crores or more or Turnover of Rs.1000 Crores or Net Profit of Rs. 5 Crores or more during any FY will be required to constitute CSR Committee of Board consisting 3 or more directors and at least 1 out these shall be Independent Director.

Since, our Company does not falls in the ambit of aforesaid; hence compliance with the provisions of Corporate Social Responsibility does not to apply to the Company and thus disclosure related to CSR does not form part of Annual Report for the financial year 2020-21.

32. Code of Conduct

The board of director of the Company has laid down a code of Conduct for all the Board Members and senior Management Personnel of the Company. The Board Members and the Senior Management personnel have to affirm compliance with the code for the year 2020-21. The said code of conduct has been posted on the website of the Company. A declaration to this effect, is annexed and forms part of this report.

33. Meeting of the Board:

During the year, Seven meetings of the Board of Directors were convened and held on the following dates as mentioned in the table given below:

S no.	Date of Meeting	Board Strength	No. of Director's Present
1.	30.05.2020	6	6
2.	28.07.2020	7	5
3.	23.10.2020	7	5
4.	12.11.2020	7	5
5.	01.12.2020	7	5
6.	09.12.2020	4	4
7.	13.03.2021	4	4

34. Particulars of contracts or arrangements with related parties.

The Company does not have any contract or arrangement or transaction with related party in terms of Section 188 of the Companies Act, 2013. Hence, the disclosure required to be provided under Section 134(3) (h) of the Companies Act, 2013, in Form AOC – 2 is not applicable and need not be furnished.

The Disclosures as required under Accounting Standard – 18 (AS-18) ‘‘Related Party Disclosures’’ notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in point no. 35 of Notes forming part of the Financial Statements

35. Material Changes and commitments, if any, affecting the financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements Relate and the date of Report.

Due to pandemic COVID-19 situation fresh Orders are fallen down due to drying up of the economy and domestic consumption is also getting impacted due to all India closure in the March quarter and



June Quarter of the year 2020 and the spread of COVID-19, infection has been rampant. There is a fear psychosis amongst the common citizens of getting infected and not getting basic / adequate required treatment in view of limited healthcare infrastructure and prohibitive costs, across the country. Therefore, the manufacturing industry, service sector and other business have not picked-up to the extent as expected due to shortage of manpower, logistics and the required resources. Biggest of the big industrial houses have been under severe stress and struggling to stand on their feet. It is anticipated that it will take a long time for the economy to turn around and get into positive growth trajectory.

It is prevalent from above that Company has been facing the liquidity crunch and making the losses which are still continuing. Due to all the adverse happenings in the surroundings, the working capital has been badly impacted for the Company. The Company is facing difficulty in recovering its dues from the receivables and there are chances of receivables turning bad. The existing inventory has also turned to be slow moving and becoming obsolete.

Moreover, due to company's distress situation, Unit's landlord also pressed upon to vacate the factory in view of selling the land to prospective buyers.

36. Particulars of employees:

During the year under report, none of the employees of the Company was in receipt of remuneration for any part of the year, in excess of the amount of remuneration prescribed in section 197 of the Companies Act 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended up to date.

The information required under section 197 of the act read with Rule 5(1) of the companies (Appointment and Remuneration) Rules, 2014 is annexed as Annexure III and forms a part of this report.

37. Internal Finance control

The Company has in place adequate internal financial controls with reference to the Financial Statements. The Audit Committee of the Board reviews the internal control systems, the adequacy of internal audit function and significant internal audit findings with the management, Internal Auditors and Statutory Auditors

38. Management Discussion Analysis Report

The operations of the Company are reviewed in a detailed report on the Management Discussions and Analysis Report is provided as a separate section in the Annual Report which forms the part of the Board Report as Annexure V



39. Certification from Chief Financial Officer /Chief Executive Officer of the Company:

The Company has obtained a compliance certificate in accordance with Regulation 17(8) of listing Regulations from Mr. Vicky Sukanraj Shah, Chief Financial Officer and Managing Director of the Company. The same forms a part of this Annual Report.

40. Insurance:

All assets of the Company including inventories, building plant and machineries are adequately insured.

41. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the operating management and after due enquiry, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2021 and of the profit and loss of the Company for that period;
- (c) they had 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;
- (d) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

42. Share Transfer System

All share transfer, dematerialization and related work is managed by

Link Intime India Pvt. Ltd. (merged with Sharex Dynamic (India) Pvt. Ltd wef 31.08.2020)

, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083 Shareholders are requested to send all share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. to the registrar and transfer agents.



43. Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), Mr. Mayank Arora, Proprietor of M/s. Mayank Arora & Co., Practicing Company Secretaries carried out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and shares held physically as per the register of members and the total issued and listed capital as on March 31, 2021.

44. Investors Correspondence

Link Intime India Pvt. Ltd. (merged with Sharex Dynamic (India) Pvt. Ltd. w.e.f. 31.08.2020)

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083

Tel No: +91 (22) 28515644 / 5606

Fax No: +91 22 8512885

Email-id: rnt.helpdesk@linkintime.co.in

Website: www.sharexindia.com

45. Goods & Service Tax Registration

Goods & Service Tax ("GST"), which is a comprehensive indirect tax reform is introduced in India w.e.f. 1st July, 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the Central and State Governments. GST registration number of the Company and primary address are as under:

LOCATION OF PRIMARY PLACE OF BUSINESS	GSTIN ALLOTTED
Mumbai	27AAHCS5197C1Z5

46. Appreciation and Acknowledgement:

Your Directors would like to express their appreciation for the assistance and co-operation received from the Banks, customers, business associates and members during the year under review. Your



Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, employees, staff and workers of the Company.

For and on behalf of the Board

sd/-
Vicky Sukanraj Shah
Managing Director
Din: 00033963

sd/-
Sukanraj Bhabutaml Shah
Whole time Director
Din: 00034157

Date: June 30, 2021
Place: Mumbai



Annexure I

Conservation of Energy & Technology Absorption

Information pursuant to the section 134(3) (m) of the Companies Act, 2013 read with the companies (Accounts) Rules, 2014 and forming a part

	Particulars	Remarks
1.	Conservation of energy	
A	The steps taken or impact on Conservation of Energy	Your Company took many initiatives to reduce the electricity consumption through productivity increase. Your Company has focused on productivity so that unit consumption per unit is reduced
i.	Process Optimization and automation	
ii.	Optimization of Electrical Equipment	
iii.	Lighting	
iv.	Other key initiative for energy conservation	
B.	The steps taken by the Company for utilizing alternate source of energy	
C.	The capital investment on energy conservation equipment	
2.	Technology Absorption	
a.	The efforts made by the Company towards technology absorption	The Company has no activity relating to technology absorption. The Company has not imported technology during the last three years.
b.	The benefits derived like product improvement, cost reduction, product development or import substitution	
C	In case of imported technology(imported during the last three years reckoned from the beginning of the Financial Year)	
d.	The expenditure incurred on Research and Development	
3.	Foreign Exchange Earnings and outgo	Not Applicable



Annexure-II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
S K S TEXTILES LIMITED
(Formerly known as S K S Textiles Private Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S K S Textiles Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have conducted online verification and examination of records of the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, as facilitated by the Company, due to COVID-19 and subsequent lockdown for the purpose of issuing this report. No physical verification of any document / record was possible. Based on our examination as aforesaid and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Audit has been conducted for the financial year ended on 31st March, 2021 in accordance with the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")



- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014; - **Not applicable as the Company has not issued ESOPs.**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as the Company has not listed its Debt Securities.**
 - (g) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review.**
 - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review and**
 - (j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not applicable to the Company during the financial year under review**
- (vi) We have also examined the compliances of the provisions of the following other laws applicable specifically to the Company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the examination of relevant documents and records on test - check basis carried out by us:
- i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE). The Company is listed on SME Emerge Platform of National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the Observations as mentioned below:

1. *Whereas in terms of the provisions of Section 149(1) of the Companies Act, 2013 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to appoint at least one Women Director on the Board of the*



Company latest by 13th March, 2021, the Company could not comply with the same. However, the Company is in process of appointing the same.

- 2. Whereas in terms of the provisions of Section 203 of the Companies Act, 2013, the Company was required to have certain Key Managerial Personnel (KMP). After resignation of CS Akriti Pathak w.e.f. 30th September 2020, the Company has not appointed a Company Secretary in terms of the provisions of Section 203 of the Companies Act, 2013 within a period of six months from the date of vacancy. However, the Company is in process of appointing a Company Secretary.*
- 3. Whereas in terms of Rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014;
'Every individual -
(b) who intends to get appointed as an independent director in a company after such commencement, shall before such appointment, apply online to the institute for inclusion of his name in the data bank for a period of one year or five years or for his life-time, and from time to time take steps as specified in sub-rule (2), till he continues to hold the office of an independent director in any company.'
however, the Company has appointed Mr. Nokhelal Duij Varma (DIN: 08779260) as an Independent Director w.e.f. 28th July 2020 without him having included his name in the Databank of Independent Directors due to some technical issues. However, Mr. Nokhelal Duij Varma is in process of registering himself with the said data bank.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, *except that the Company does not currently have a Woman Director*. The changes in the composition of Board took place during the year under review were carried out in compliance of the provisions of Act and SEBI LODR.

Adequate notice is given to all Directors for the Board Meetings. Agenda and detailed notes on agenda were, in most cases, sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Consent of the Board of Directors was obtained in cases where Meetings were scheduled by giving notice or agenda papers less than seven days.

Majority of the decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and there were no dissenting views communicated by the Directors.

We further report that :

There are adequate systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with the applicable laws, rules,



regulations and guidelines. We feel that the Company should provide a better system of maintaining the structured digital database as required under Regulation 3(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

We further report that; during the period under review:

- (i) CS Akirti Pathak resigned as the Company Secretary and compliance officer w.e.f. 30th September 2020.
- (ii) Mr. SAHIL SUKANRAJ SHAH (DIN: 05144943) and Mrs. SAPNA VICKY SHAH (DIN: 07799058) resigned as Directors of the Company w.e.f. 9th December, 2020.
- (iii) Mr. Nokhelal Duij Varma (DIN: 08779260), was appointed as an Independent Director (Additional) by the Board w.e.f. 28th July 2020 and his appointment was regularised by the shareholders on 30th September 2020.
- (iv) The Company had appointed Mr. Satish Kumar Gupta, Cost Accountant as Cost auditor of the Company for FY 2020-21 on 28th July 2020, however, as explained by the management, cost audit is not applicable for FY 2020-21, hence the remuneration of such cost auditor was not ratified at the 22nd AGM of the Company held on 30th September 2020.

**For Sherlyn Rebello & Associates
Company Secretaries**

**Sherlyn Rebello
Proprietor**

FCS No. 11165

COP No. 16401

PR: 1043/2020

UDIN: F011165C000551034

Place: Mumbai

Date: 30th June, 2021

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral part of this report.



'Annexure A'

To,
The Members,
S K S Textiles Limited

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. The minutes, documents, records and other information checked for the purpose of audit were received from the Company in soft copy and through electronic mail due to the nationwide lockdown caused pursuant to the outbreak of Covid-19 (Coronavirus).
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Sherlyn Rebello & Associates
Company Secretaries**

**Sherlyn Rebello
Proprietor**

FCS No. 11165

COP No. 16401

PR: 1043/2020

UDIN: F011165C000551034

Place: Mumbai
Dated: 30th June, 2021



Annexure III

(Statement of Disclosure of Remuneration under section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

i. Ratio of remuneration of each director to the median remuneration of the Employee of the Company for the Financial Year 2020-21

S No.	Name	Category	Remuneration	Median Remuneration	Ratio
1.	Mr. Vicky Sukanraj Shah	Managing Director	540,000	450,000	1.2:1
2.	Mr. Sukanraj Bhabutmal Shah	Whole Time Director	5,40,000	450,000	1.2:1
3.	Mr. Sahil Sukanraj Shah	Whole-Time Director	360,000	450,000	0.8:1

Note: For this purpose, sitting fees paid to Directors have not been considered as remuneration.

ii. the percentage of increase in remuneration of each director, Chief financial officer, chief executive officer, Company secretary or Manager, if any in the F.Y. 2020-21:

S No.	Name	Category	%
1.	Mr. Vicky Sukanraj Shah	Managing Director/Chief Financial Officer	(43.18)
2.	Mr. Sukanraj Bhabutmal Shah	Whole Time Director	(43.18)
3.	Mr. Sahil Sukanraj Shah	Whole Time Director	(62.11)

The median remuneration of the employees of the Company as on 31st March 2021 was Rs. Rs. 450,000/-

iii . the percentage increase in the median remuneration of employees in F.Y. 2021 stood at 58.20%

iv. no. of permanent employees of the Company : 5

v. average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year : -

vi Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other senior management is as per the remuneration policy of the Company.

vii. Disclosure under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees appointed by the Company who were in receipt of remuneration of Rs. 1.20 Crores or more per Annum employed throughout the year and Rs. 8.50 Lakhs or more Per Month employed for part of the year.

Hence the Disclosure under Rule 5(2) is not applicable.



Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the names of top ten employees in terms of remuneration drawn is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during business hours on working days upto the date of ensuing Annual General Meeting and shall also be made available on the website of the Company post AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.



Annexure V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of S K S Textiles Limited is presenting the Management Discussion and Analysis Report covering the operations and financial performance of the Company for the financial year 2020-21. The Company is engaged in manufacturing and trading of grey fabrics and finished fabrics for shirting, suiting and other accessories for its own brand and also outsourcing basis for other fabric/garment companies.

INDUSTRY STRUCTURE & DEVELOPMENT:

India's textile industry is one of the economy's largest. In 2000/01, the textile and garment industries accounted for about 4 percent of GDP, 14 percent of industrial output, 18 percent of industrial employment, and 27 percent of export earnings (Hashim). India's textile industry is also significant in a global context, ranking second to China in the production of both cotton yarn and fabric and fifth in the production of synthetic fibers and yarns.

OUTLOOK

The Indian textile industry has a potential to double itself in size over the next 6-7 years, Government has been overall supportive in encouraging textile industry in India. Textile and garment industry has been included in list of 25 sectors of "Make in India" initiative of the Government of India. With the right Government policies, we believe that the Indian Textile Industry is well poised to benefit from the large opportunity offered in the domestic and export market. Under the 'Make in India' initiative, investment opportunities for foreign companies and entrepreneurs are available across the entire value chain of synthetic, value-added and specialty fabrics, fabric processing set ups for all kinds of natural and synthetic textiles, technical textiles, garments and retail brands.

COMPETITION

The industry in which we operate is highly competitive and fragmented. Competition emerges from small as well as big players in the textile industry. The organized players in the industry compete with each by providing high quality-time bound products and value added services. We have a number of competitors offering services similar to us. We believe the principal elements of Competition in textile industry are price, fabric quality, timely delivery and reliability. We compete against our competitors by establishing ourselves as a designer based manufacturing unit with industry expertise in blending, dying and printing which enables us to provide our clients with innovative designs suitable to current fashion and market requirements.



SWOT ANALYSIS OF INDIAN TEXTILE:

India's textile industry is one of the world's leading textile industries. Few years back, this industry came under the unorganized sector, but this scene got completely revolutionized after the Indian economy's liberalization. Right after liberalization, the textile industry in India got the much-needed push, and today it is counted as one of the largest industries in the world. Till date, only China is one nation that could match up to the competitiveness of the Indian textile industry.

Strengths

- The Indian textile industry is autonomous and self-governing.
- There is easy availability of low cost and proficient manpower that contributes extensively in the growth of the industry.
- Raw material is easily accessible – this acts as a major contributing factor in controlling the costs and minimizes the operational effort.
- The economy is growing rapidly and one can observe a potential international and domestic market.
- The fiber industry is growing at a rapid speed as large varieties of cotton fiber are available easily.
- The industry has an added advantage of having numerous segments which help in the provision of a huge variety of products.

Weaknesses

- The textile industry of India is one of the highly disintegrated industries
- AMID COVID
- Heavy losses
- Heavy Financial Burden
- Few segments of this industry are not highly productive.
- There is a huge dependency of the industry on cotton.
- The mill segment is gradually declining.
- Labour laws are not very favorable.
- The power and interest rates, and indirect taxes are high.
- The act of generating economies of scale lacks. Opportunities
- The textile industry records an annual growth of around 6-8%.
- A shift towards the market of branded ready-made garment is being observed.
- More number of emerging malls and retail industries are providing opportunities to industry's segments like handicrafts and apparels.
 - There is a provision of more FDI and investment opportunities.
 - Withdrawal of quota restriction is contributing immensely in market development.
 - The global needs are being catered with product development.
 - An upsurge in the purchasing power and disposable income of Indian customers has opened room for new market development.



IMPACT OF COVID

The pandemic has affected the majority of India's export market (the US and EU together constitute for approximately, 60% of the total apparel exports from India in value terms), causing order cancellations/deferral of order leading to inventory build-up and expectation of slower realization of export receivables leading to higher working capital requirements.

Apparel exports are expected to fall due to drying up of order in the last quarter of FY20, working capital issues and lack of clarity on the duties and incentives especially when exporters from Bangladesh, Sri Lanka and Vietnam receive preferential access.

Additionally, domestic consumption is also getting impacted due to all India closure. New store openings have stopped and even domestic stores are facing an inventory build-up due to apparel sources for the upcoming summer season. Further, domestic prices could be negatively impacted if exporters dump their inventories in the domestic market leading to even reduced margins. This could lead to short term blips such as reduced employment of casual labour (factory closures and people moving back to their home towns) and reduced consumption.

Threats

- Competing with other progressing countries like China.
- Striking a balance between the quality and price of products.
 - Satisfying the demands of people all across the globe and at the same time, steadily improving the quality of the products.
 - Striking a balance between demand and supply.
- Environmental and international labour laws.
- Removal of quota system will fluctuate the export demand.

Financial and operation Performance:

Particulars	31.03.2021	31.03.2020
Revenue from Operations	215,880,348	1,876,888,556
Other Income	11,483,214	5,508,993
Total Revenue	227,363,561	1,882,397,549
Less: Expenditure	911,388,018	1,992,916,885
Profit before exceptional and extraordinary items and tax	(684,024,457)	(110,519,336)
Exceptional Items/Extra Ordinary Items: Deffered Revenue Income	963,800	963,800
Profit before Taxation	(683,060,657)	(109,555,536)
Provisions for Taxation	-	341
Deferred Tax Liability	(10,399,924)	(2,295,951)
Net Profit	(672,660,733)	(107,259,926)



SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE: The Company is engaged in the business of manufacturing and sale of textile accordingly this is the only single reportable segment.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to N N K & CO. a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

ENVIRONMENT AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Your Company has team of qualified and dedicated personnel who have contributed to the consolidation of the operations of your Company. Your Company's industrial relations continued to be harmonious during the year under review. Your Company has succeeded in attracting and retaining key professional and intends to continue to seek fresh talents to further enhance and grow our business..

CAUTIONERY STATEMENT:

Statement in this report describing the Company's objective, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual result may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include economic conditions affecting demand / supply price condition in the domestic markets in which the Company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.



**COMPLIANCE CERTIFICATE IN TERMS OF REGULATION 17 (8) OF SEBI (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To,

The Board of Directors
S K S Textiles Limited

I, the undersigned in my capacity as the Managing Director and Chief Financial Officer of S K S Textiles Limited ('the company'), to the best of my knowledge and belief, certify that:

- i. I have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2021 and based on my knowledge and belief:
- ii. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
- iii. These statements together presents a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and Regulations.

a. I further state that to the best of knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.

b. I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the Internal Control System of the Company pertaining to financial reporting and I have not come across any reportable deficiencies in the design or operation of such controls.

I have indicated to the Auditors and Audit Committee:

1. Significant changes, if any, in internal control over financial reporting during the year;
2. Significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud of which I have become aware and involvement therein, if any, of the management or an Employee having significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Sd/-

Vicky Sukanraj Shah
(Managing Director and CFO)

Place: Mumbai
Date: 30.05.2021



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
S K S TEXTILES LIMITED
431, 4th Floor, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel West -400013

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and according to our examination of the relevant records and information provided by SKS TEXTILE LIMITED ('the Company') and based on representation made by the Management of the Company for the period from 1st April, 2020 to 31st March, 2021 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2021.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 03/09/2021
Place: Mumbai
UDIN: F010378C000893766

For Mayank Arora & Co.

SD/-
Mayank Arora
Proprietor
C.P. No. 13609



Declaration on adherence to the Code of Conduct under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

As provided under Regulation 34 (3) and 53 (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the year ended 31st March, 2021.

For and on behalf of the Board of Directors

**Sd/-
Sukanraj Bhabutaml Shah
Whole Time Director**

**Sd/-
Vicky Sukanraj Shah
Managing Director and CFO**



To The Members of SKS Textiles Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SKS Textiles Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

We report that trade & other receivables include certain disputed outstanding receivables amounting to Rs. 13.28 Crores, which are considered recoverable as at March 31, 2021. In absence of sufficient appropriate audit evidence regarding confirm status / repayment schedule from the concerned parties, we are unable to comment on the recoverability of such balances including sufficiency of provision created in respect thereof.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of



our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management discussion & Analysis and Business responsibility report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as Amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i). As per information and explanation given to us Company does not have any pending litigations which would impact its financial position.
 - ii). The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;



iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR BHATTER & COMPANY

CHARTERED ACCOUNTANTS

FRN: 131092W

MR.DAULAL BHATTER

PROPRIETOR

MEM NO. : 0169734

Place: Mumbai

Date: 30/06/2021



“Annexure A” to the Independent Auditor’s Report

ANNEXED REFERRED TO PARAGRAPH 1 UNDER THE HEADING ‘REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS’ OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021 OF **“SKS TEXTILES LIMITED”**. ON THE BASIS OF SUCH CHECKS AS WE CONSIDER APPROPRIATE AND IN THE INFORMATION AND EXPLANATION GIVEN TO US, WE STATE THAT:

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. The Fixed Assets have been physically verified by the management periodically in a phased manner and no material discrepancies have been noticed on physical verification as confirmed by the management. Company do not have any immovable property
2. a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) The Company is maintaining proper records of the inventory.
3. The Company has not granted loans to parties covered in the register maintained under Section 189 of the Act. (Previous year Rs. NIL/-). Further, the Company has not taken loan from any party covered in the register maintained under Section 189 of the Act.
4. In Our opinion and according to the information and explanation given to us, the company has not advanced any loan, given any guarantee or provided any security to any person specified under section 185 of the Act and the company has not made investment through not more than two layers of investment companies as specified under section 186(1) and the company has not given any loan, to any person or other body corporate; given any guarantee or provided security in connection with a loan to any other body corporate or person as specified under section 186(2).
5. In Our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public to which provision of Section 73 to Section 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the rules framed thereunder, where applicable except from directors and relatives of directors of the company.
6. According to the information and explanation given to us, the Company has maintained proper cost records as specified under section 148 (1) of the Companies Act, 2013.
7. According to the information and explanation given to us and on the basis of our examination of the books of accounts, the Company is regular in depositing undisputed statutory dues including



Provident fund, Employees state insurance, Income Tax, Sales Tax and other statutory dues with the appropriate authorities.

8. The Company has not defaulted in repayment of dues of Financial Institution or banks Debenture holders.
9. According to the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Hence the provision of para 3 ix of the order are not applicable.
10. Based upon the audit procedures performed and on the basis of information and explanation provided by the management, we report that no fraud, on or by the Company has been noticed or reported during the year
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. As per information and records available with us, the company is not Nidhi Company.
13. As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 188 of Act, 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. Therefore, the provisions of Paragraph 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non cash transactions with directors or persons connected with him. Therefore, the provisions of Paragraph 3(xv) of the Order are not applicable to the Company.
16. Based on the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR BHATTER & COMPANY

CHARTERED ACCOUNTANTS

FRN: 131092W

MR.DAULAL BHATTER

PROPRIETOR

MEM NO. : 0169734

Place: Mumbai

Date: 30/06/2021



**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of
SKS TEXTILES LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021 we have audited the internal financial controls over financial reporting of **SKS TEXTILES LIMITED**. (“the Company”) which is a Company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal



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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 BHATTER & COMPANY
CHARTERED ACCOUNTANTS
FRN: 131092W

MR.DAULAL BHATTER
PROPRIETOR
MEM NO. : 0169734

Place: Mumbai
Date: 30/06/2021

S K S TEXTILES LIMITED

BALANCE SHEET AS AT 31 ST MARCH, 2021

Particulars	Sch. No.	As at 31st March,2021	As at 31st March,2020
		Rs	Rs
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	3	3,25,94,370	3,25,94,370
(b) Reserves and Surplus	4	(41,30,58,951)	26,05,65,582
(c) Money received against share warrants			
<u>(2) DEFERRED REVENUE INCOME</u>		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	5	10,70,50,649	3,70,03,206
(b) Deferred Tax Liabilities (Net)		97,96,926	2,01,96,850
(c) Other Long Term Liabilities	6	22,85,000	22,85,000
(d) Long Term Provisions	7	9,27,164	32,25,664
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	8	50,05,69,724	49,00,62,254
(b) Trade Payables	9	15,13,69,868	33,98,96,950
(c) Other Current Liabilities and Expenses	10	1,81,10,232	55,90,717
(d) Short-Term Provisions	11	2,93,75,814	2,99,33,053
Total Equity & Liabilities		43,90,20,796	1,22,13,53,647
II.ASSETS		Rs	Rs
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
(i) Tangible Assets	12	8,82,26,054	13,22,57,396
(b) Long term loans and advances	13	33,26,008	31,88,709
<u>(2) Current Assets</u>			
(a) Current investments			
(b) Inventories	14	47,22,669	55,70,03,960
(c) Trade receivables	15	27,20,88,351	46,41,46,479
(d) Cash and cash equivalents	16	1,79,61,656	1,81,56,717
(e) Short-term loans and advances	17	5,23,19,411	4,58,62,388
(f) other Current Assets	18	3,76,647	7,37,998
Total Assets		43,90,20,796	1,22,13,53,647

NOTES TO ACCOUNTS

27 to 34

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

FOR BHATTER & COMPANY (FRN : 131092W)
CHARTERED ACCOUNTANT

FOR SKS TEXTILES LIMITED

MR.DAULAL BHATTER
PROPRIETOR
MEM No. : 016937

VICKY SHAH
MD & CFO
N: 00033963

SUKANRAJ SHAH
WTD
DIN:00034157

PLACE : MUMBAI
DATE :

COMPANY SECRETARY

S K S TEXTILES LIMITED
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31 ST MARCH, 2021

Sr. No	Particulars	Sch. No.	As at 31st March,2021	As at 31st March,2020
I	Revenue from operations	19	21,58,80,348	1,87,68,88,556
II	Other Income	20	1,14,83,214	56,03,921
III	III. Total Revenue (I +II)		22,73,63,561	1,88,24,92,477
IV	Expenses:			
	Purchases and cost of materials consumed	21	23,44,48,378	1,89,77,07,159
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	55,22,81,291	(2,12,00,628)
	Employee Benefit Expense	23	45,50,606	1,80,99,104
	Financial Costs	24	6,59,17,215	5,51,54,856
	Depreciation and Amortization Expense	25	1,81,47,975	1,66,86,260
	Other Expenses	26	3,60,42,553	2,65,65,062
	Total Expenses (IV)		91,13,88,018	1,99,30,11,813
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(68,40,24,457)	(11,05,19,336)
VI	Exceptional Items/Extra Ordinary Items			
	Depreciation for Prior Periods		-	-
	Loss on Sale of Fixed Assets		-	-
	Deffered Revenue Income		9,63,800	9,63,800
VII	Profit before extraordinary items and tax (V - VI)		(68,30,60,657)	(10,95,55,536)
VIII	Extraordinary Income			
IX	Profit before tax (VII - VIII)		(68,30,60,657)	(10,95,55,536)
X	Tax expense:			
	(1) Current tax			
	Provision for Current year		-	341
	Short/(Excess) Provision for earlier years		-	-
	(2) Deferred tax		(1,03,99,924)	(22,95,951)
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	(67,26,60,733)	(10,72,59,926)
XII	Profit/(Loss) from discontinuing operations			
XIII	Tax expense of discounting operations			
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV	Profit/(Loss) for the period (XI + XIV)		(67,26,60,733)	(10,72,59,926)
XVI	Earning per equity share:			
	(1) Basic		(206)	(33)
	(2) Diluted		-	-

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

FOR BHATTER & COMPANY (FRN : 131092W)
CHARTERED ACCOUNTANT

FOR SKS TEXTILES LIMITED

MR.DAULAL BHATTER
PROPRIETOR
MEM No. : 016937

VICKY SHAH
MD & CFO
DIN: 00033963

SUKANRAJ SHAH
WTD
DIN:00034157

S K S TEXTILES LIMITED
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021
Schedule : 3 Share Capital

Sr. No	Particulars	Current Year	Previous Year
1	<u>AUTHORIZED CAPITAL</u> Opening Balance (33,00,000 Equity Shares of Rs. 10/- each.) Add: Closing Balance	3,30,00,000 - 3,30,00,000 3,30,00,000	3,30,00,000 - 3,30,00,000 3,30,00,000
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> <u>Fully Paid up Equity Shares</u> Shares outstanding at the beginning of the year (3259437 Equity Shares of Rs. 10/- each, Fully.) Shares outstanding at the end of the year	3,25,94,370 3,25,94,370 3,25,94,370	3,25,94,370 3,25,94,370 3,25,94,370
	Total in Rs.	3,25,94,370	3,25,94,370

Particulars of Shareholder Holding More than 5% of Shares					
Sr No	Name Of Share Holder	As on 31st March 2021		As on 31st March 2020	
		No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
1	Vicky S. Shah	300956	09.23%	300956	09.23%
2	Sukanraj B. Shah (HUF)	480000	14.73%	480000	14.73%
3	Lalita S. Shah	201375	06.18%	201375	06.18%
4	Parag Housing Development Pvt. Ltd.	275000	08.44%	275000	08.44%
5	Sahil S. Shah	186531	05.72%	186531	05.72%
6	Vicky Shah (HUF)	319687	09.81%	319687	09.81%
7	Sahil Shah (HUF)	275000	08.44%	275000	08.44%

Schedule : 4 Reserve & Surplus

Sr. No	Particulars	Current Year	Previous Year
1	<u>Capital Reserve</u> Opening Balance Add: During the year Closing Balance Less : Premium from earlier year being Transferred to Securities Premium Closing Balance	9,96,875 - 9,96,875 - 9,96,875	9,96,875 - 9,96,875 - 9,96,875
3	<u>Tuffs Capital Subsidy</u> Opening Balance Add: Received during the year Closing Balance Less: Transfer to Profit & Loss A/c Closing Balance	38,55,200 - 38,55,200 9,63,800 28,91,400	48,19,000 - 48,19,000 9,63,800 38,55,200
3	<u>Securities Premium reserve</u> Opening Balance Add: Received during the year on issue of shares Add : Premium from earlier year being Transferred From Capital Reserve Less: Forfited during the year Closing Balance	22,35,31,205 - - - 22,35,31,205	22,35,31,205 - - - 22,35,31,205
4	<u>Profit and Loss Account</u> Opening Balance Less: Fixed Assets WDV written off Add: Tuff Capital Subsidy Add: Profit for the period Less: Bonus Share issue during years Surplus (Profit & Loss Account)	3,21,82,302 - 3,21,82,302 - (67,26,60,733) (64,04,78,431)	13,94,42,228 - 13,94,42,228 - (10,72,59,926) 3,21,82,302
	Total in Rs.	(41,30,58,951)	26,05,65,582

Schedule : 5 Long Term Borrowings

Sr. No	Particulars	Current Year	Previous Year
1	Secured Loan Term Loan From Bank Payable within a year	- -	- -
1	Unsecured Loan From Banks & NBFC	9,62,03,913	2,77,03,259
2	Loans From Directors	1,02,80,235	87,33,446
3	Loans from related parties	5,66,500	5,66,500
4	Other Loans & Advances	-	-
	Total in Rs.	10,70,50,649	3,70,03,206

Schedule : 6 Other Long Term Liabilities

Sr. No	Particulars	Current Year	Previous Year
1	Deposits Received for rent	22,85,000	22,85,000
	Total in Rs.	22,85,000	22,85,000

Schedule : 7 Long Term Provisions

Sr. No	Particulars	Current Year	Previous Year
1	Provision for Gratuity	9,27,164	32,25,664
	Total in Rs.	9,27,164	32,25,664

Schedule : 8 Short Term Borrowings

Sr. No	Particulars	Current Year	Previous Year
1	working capital loan from Bank	50,05,69,724	37,95,78,719
2	Letter of credit With DBS bank Ltd	-	2,45,87,215
3	Letter of credit With Standered Chartered bank	-	4,89,42,553
4	Invoice Financing-SCB	-	3,69,53,767
	Total in Rs.	50,05,69,724	49,00,62,254

Cash credit and Term Loan availed from SCB & DBS are secured by way of pari passu charge on all present & future current assets, book debts, all other movable assets, factory building at B/4, prithvi complex, Pipe line road,kalher village, bhiwandi, Dist- Thane, and the personal residential flats of directors.

Schedule : 9 Trades Payable

Sr. No	Particulars	Current Year	Previous Year
1	Trade Payable For Goods	14,04,05,645	31,80,04,165
2	Trade Payable For Expenses	1,09,64,223	2,18,92,786
	Total in Rs.	15,13,69,868	33,98,96,950

Schedule : 10 Other Current Liabilities

Sr. No	Particulars	Current Year	Previous Year
1	Term Loan From Standard Chartered bank -003010755	-	-
2	From Banks & NBFC payable with in year	1,75,07,211	85,08,221
3	TDS and GST tax payable	6,03,021	(29,17,504)
	Total in Rs.	1,81,10,232	55,90,717

Schedule : 11 Short Term Provisions

Sr. No	Particulars	Current Year	Previous Year
1	Provision for Income taxation (A Y 2017-18)	95,00,000	95,00,000
2	Provision for Income taxation (A Y 2018-19)	1,02,46,050	1,02,46,050
3	Provision for Income taxation (A Y 2019-20)	88,98,602	88,98,602
4	Employee Benefit Expenses	7,31,162	12,88,401
	Total in Rs.	2,93,75,814	2,99,33,053

S K S TEXTILES LIMITED
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021
Schedule : 13 Long Term Loans and Advances

Sr. No	Particulars	Current Year	Previous Year
1)	Security Deposit		
	a) Secured, Considered Good :		
	Security deposit with Torrent Power Ltd	13,41,732	12,04,433
	MSEB Deposit	60,658	60,658
	Anand Kumar Jain (HUF) Office Depoist	3,50,000	3,50,000
	Courier Deposit	462	462
	Telephone Deposits	6,156	6,156
	Crystal Water Service	1,000	1,000
	Gateway Vinimay Pvt.Ltd.(Factory)	15,66,000	15,66,000
	Total in Rs.	33,26,008	31,88,709

Schedule : 14 Inventories

Sr. No	Particulars	Current Year	Previous Year
1	Yarn At Factory	16,61,331	53,34,113
2	Gray Fabrics at process House	20,54,226	1,00,03,171
3	Finished Fabrics at warehouse (as taken valued and certified by the Management)	10,07,111	54,16,66,676
	Total in Rs.	47,22,669	55,70,03,960

Schedule : 15 Trade Recievables

Sr. No	Particulars	Current Year	Previous Year
1	Outstanding for more than six months		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	16,54,45,715	3,81,07,168
	c) Doubtful		
2	Others		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good :	10,66,42,636	42,60,39,311
	c) Doubtful		
	Total in Rs.	27,20,88,351	46,41,46,479

S K S TEXTILES LIMITED
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021
Schedule : 16 Cash & Cash Equivalent

Sr. No	Particulars	Current Year	Previous Year
1	Cash-in-Hand Cash Balance	24,808	11,14,533
	Sub Total (A)	24,808	11,14,533
2	Bank Balance Balance in Current Account-06262560001871 Bombay Co op Bank Shinhan Bank Ltd Balance in Deposit account (includes margin bank Guarantees and Letter of Credit)	38,62,500 4,667 - 1,40,69,680	38,62,693 - (1,21,333) 1,33,00,824
	Sub Total (B)	1,79,36,848	1,70,42,184
	Total [A + B]	1,79,61,656	1,81,56,717

Schedule :17 Short Terms Loans and Advances

Sr. No	Particulars	Current Year	Previous Year
	Balance with Revenue authorities		
1	Income Tax	3,55,10,712	3,50,47,204
2	Mvat	-	-
3	Advance Recoverable in cash or in kind or for value to be considered good	1,10,30,904	1,08,15,190
4	GST Credit	57,77,795	-
	Total in Rs.	5,23,19,411	4,58,62,388

Schedule :18 Other current assets

Sr. No	Particulars	Current Year	Previous Year
1	T-Fat Solution (Software Development charges)	-	3,46,680
2	Prepaid Insurance	3,76,647	3,86,410
3	Telephone Expnses Prepaid	-	4,908
	Total in Rs.	3,76,647	7,37,998

S K S TEXTILES LIMITED
Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021
Schedule : 19 Revenue from Operations

Sr. No	Particulars	Current Year	Previous Year
1	Sale of Goods (net)	21,53,08,602	1,85,72,90,571
2	Job work Charges	5,71,746	1,95,97,985
	Total in Rs.	21,58,80,348	1,87,68,88,556

Schedule : 20 Other Income

Sr. No	Particulars	Current Year	Previous Year
1	Interest Income	19,07,818	9,44,633
2	Rent Income	65,58,389	45,64,360
3	Others	30,17,006	94,928
	Total in Rs.	1,14,83,214	56,03,921

Schedule : 21 Purchases & Cost of Material Consumed

Sr. No	Particulars	Current Year	Previous Year
a)	<u>PURCHASES</u>		
1	Purchases (net)	22,93,19,349	1,84,52,44,011
	Sub-total (a)	22,93,19,349	1,84,52,44,011
b)	<u>DIRECT/PRODUCTIONS EXPENSES</u>		
1	Process Charges	11,68,464	2,59,90,382
2	Carriage Inward	54,725	16,88,947
3	Power and fuel	6,89,107	1,09,69,269
4	Factory expenses & job work	26,40,614	90,06,821
5	Packing Material expenses	5,66,505	17,88,190
6	Factory tools and Spares	9,614	22,70,003
7	Factory repairs and Maintenance	-	7,49,535
	Sub-total (b)	51,29,029	5,24,63,148
	Total in Rs.	23,44,48,378	1,89,77,07,159

S K S TEXTILES LIMITED*Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021***Schedule : 22 Change in Inventories**

Sr. No	Particulars	Current Year	Previous Year
1	Opening Stock	55,70,03,960	53,58,03,332
2	Closing Stock	47,22,669	55,70,03,960
	Total in Rs.	55,22,81,291	(2,12,00,628)

Schedule : 23 Employment Benefit Expenses

Sr. No	Particulars	Current Year	Previous Year
1	Staff Salary & wages	29,52,789	1,49,27,790
2	Director Remuneration	15,20,682	27,11,069
3	Siting Fees- Director	65,000	1,44,000
4	ESIC employers contribution	2,398	98,120
5	Labour welfare Fund	524	2,729
6	PF Employer contribution	9,213	2,15,396
	Total in Rs.	45,50,606	1,80,99,104

Schedule :24 Financial Cost

Sr. No	Particulars	Current Year	Previous Year
1	Interest expenses	5,94,97,161	4,63,23,149
2	Bank Charges	63,92,054	88,12,707
3	IPO Expenses	28,000	19,000
	Total in Rs.	6,59,17,215	5,51,54,856

Schedule : 25 Depreciation & Amortised Cost

Sr. No	Particulars	Current Year	Previous Year
1	Depreciation	1,81,47,975	1,66,86,260
2	Preliminary Expenses W/O	-	-
	Total in Rs.	1,81,47,975	1,66,86,260

S K S TEXTILES LIMITED*Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021***Schedule : 26 Other Expenses**

Sr. No	Particulars	Current Year	Previous Year
1	Annual Maintanence Charges	5,500	17,000
2	Audit Fees	-	50,000
3	Bad Debtes	-	56,22,108
4	Conveyance Expenses	53,322	84,101
5	CGST Rcm Paid	-	56,617
6	Courier Expenses	63,259	1,32,905
7	Donation	-	4,000
8	Designing & Consultancy Charges	-	2,57,299
9	Electricity Expenses	86,451	1,22,680
10	Loss on sales Fixed Assests	3,38,928	21,06,084
11	Discarded Fixed Assets	2,47,68,019	-
12	GST Fees	-	65,586
13	IGST Rcm Paid	-	830
14	Insurance Charges	7,24,022	8,35,457
15	Interest on late payment TDS	3,424	305
16	Interest on late payment GST	44,022	18,030
17	Interest on late payment Purchases	5,304	23,02,294
18	Interest Paid on Invoice Financed	-	44,45,204
19	Interest Paid to ESIC	-	2,090
20	Licence Fee- Factory	-	46,200
21	Membership and Subscription Exps.	-	14,800
22	Notary & Franking/stamp Paper Charges	-	85,568
23	Office Expenses	63,867	86,590
24	Printing & Stationery	21,460	2,02,457
25	P.T.Return Delay Fee	-	2,000
26	Sales Promotion Exp.	-	92,782
27	Legal & Professional Fee	4,72,650	10,30,807
28	Rent, Rates & Taxes	37,06,144	38,30,846
29	Repairs & Maintenance	90,763	-
30	ROC Filing Fees	7,300	7,400
31	Telephone Expenses	78,285	1,45,271
32	Petrol & Other Charges	1,05,678	1,54,678
33	SGST rcm Paid	-	56,617
34	Sampling Charges	25,552	11,255
35	Security & Housekeeping Charges	2,97,000	4,73,046
36	Software Development Charges & Exps.	3,46,680	25,000
37	Brokerage & Commission	36,11,244	9,16,049
38	Computer Expenses	26,250	73,225
39	Packing & Cutting Expenses	-	1,050
40	Trademark Registration charges	-	10,000
41	Testing & Inspection Charges	-	26,413
42	Transport Charges	5,50,050	24,67,477
43	Godown & Warehouse Charges	375	-
44	Tour & Travelling Expenses	4,20,692	5,73,335
45	Round off	10	-
46	Handling Charge	1,280	-
47	Advertisement Expenses	13,992	-
48	Weight and Measure Expenses	-	8,500
49	Website Expenses-	19,023	18,850
50	Miscellenous Expenses	92,007	82,258
	Total In Rs.	3,60,42,553	2,65,65,062

S K S TEXTILES LIMITED

Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021

A Term Loan From Bank

Sr. No	Particulars	Current Year	Previous Year
1	Term loan from HDFC Payable within year		
2	Term loan from Standard Chartered bank-003010755 Payable within year	-	-
	Payable after year		
	Total in Rs.	-	-

B Term Loan From Bank & NBFC

Sr. No	Particulars	Current Year	Previous Year
1	Aditya Birla Finance Ltd. MUMBL0000078775	26,69,624	27,83,895
2	Arc Finance Ltd	1,00,00,000	1,00,00,000
3	Ambit Finvest private limited	18,64,742	19,55,027
4	Capital First Ltd Loan A/c No. 1838200	29,67,324	31,38,537
5	Digikredit Finance Pvt. Ltd.-Lanmum05Ubl000007664	15,65,885	18,97,165
6	Federal Bank Financial Service Limited	28,70,171	28,70,171
7	Hdfc Bank Ltd. Loan	42,51,286	47,82,261
8	I C I C I Bank Ltd	45,68,197	47,92,775
9	Idfc First Bank Limited	39,91,650	39,91,650
10	Aditya Birla Finance Ltd-GECL	5,72,245	-
11	DBS Bank India Ltd- ECLGS-811320230681	3,84,00,000	-
12	Standard Chartered Bank- ECLGS-004637834	3,99,90,000	-
		11,37,11,124	3,62,11,480
	Payable within a year	1,75,07,211	85,08,221
	Payable after year	9,62,03,913	2,77,03,259
	Total in Rs.	11,37,11,124	3,62,11,480

Security Deposit Received for Rent

Sr. No	Particulars	Current Year	Previous Year
1	Pipal Products LLP	2,64,600	2,64,600
2	R R Zip Private limited	6,73,000	6,73,000
3	Welcome Gift	2,64,600	2,64,600
4	Neel Art's	5,00,000	5,00,000
5	Nirmal Exim Pvt Ltd- Deposit	2,82,800	2,82,800
6	Shree Goversgan Art	3,00,000	3,00,000
	Total in Rs.	22,85,000	12,02,200

S K S TEXTILES LIMITED

Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021

C Loans From Directors

Sr. No	Particulars	Current Year	Previous Year
1	Sahil Shah	46,601	80,344
2	Sukhanraj Shah	33,58,396	9,70,254
3	Vicky Shah	68,75,239	76,82,849
	Total in Rs.	1,02,80,235	87,33,446

D Loans & Advances From Related Parties

Sr. No	Particulars	Current Year	Previous Year
1	Parag Housing Development Pvt.ltd	5,66,500	5,66,500
	Total in Rs.	5,66,500	5,66,500

E Other Loans Advance

Sr. No	Particulars	Current Year	Previous Year
1	K K Silk Mills Pvt.ltd		
	Total in Rs.	-	-

F Working Capital Loan From Bank

Sr. No	Particulars	Current Year	Previous Year
1	Cash credit account with DBS Bank Ltd-811200117975	14,16,03,796	16,55,80,287
2	Cash credit account with DBS Bank Ltd WCDL	8,50,00,000	4,00,00,000
3	Cash credit account with Standered Chartered Bank	26,73,81,629	12,33,51,719
4	Cash credit account with Standered Chartered Bank WCDL	-	5,00,00,000
5	HDFC bank Car loan A/c. (MH 04-HM 8694)	4,18,730	6,46,713
6	DBS Bank india Ltd WCDL A/c 811300227629	16,50,450	-
7	DBS Bank india Ltd WCDL A/c 811300227636	1,28,955	-
8	Dbs bank india ltd. WCDL A/c. 811300227643	3,55,738	-
9	Dbs Bank Ltd- A/C. 811300227148-Covid-19	29,23,608	-
10	Dbs Bank Ltd- A/C. 811300228589-Covid-19	24,959	-
11	Dbs Bank Ltd- A/C. 811300228596-Covid-19	10,81,859	-
	Total in Rs.	50,05,69,724	37,95,78,719

S K S TEXTILES LIMITED

Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021

G Other Liabilities & Provisions			
Sr. No	Particulars	Current Year	Previous Year
1	E.P.F Payable	(2,700)	33,819
2	E.S.I.C. Payable	8,512	8,204
3	P.T. Payable	5,900	13,500
4	Gratuity Payable	7,19,402	12,32,878
5	Labour Welfare Fund Payable	48	-
6	TDS Payable on Brokerage	1,35,305	5,555
7	TDS Payable on Interest	-	1,98,184
8	TDS Payable on Jobwork	22,352	(5,689)
9	TDS Payable on Labour Charge	17,774	7,015
10	TDS Payable on loan Interest	-	10,047
11	TDS Payable on Maintanance	41	71
12	TDS Payable on Professional fees	91,193	37,487
13	TDS Payable on Rent	2,41,269	34,369
14	TDS Payable on Salary	-	80,000
15	TDS Payable on Transport Charges	1,346	1,372
16	TDS Payable on Secutity & House Keeping	2,300	680
17	TCS Payable	91,441	
18	GST	-	(32,86,595)
19	TDS and GST Tax payable	6,03,021	(29,17,504)
20	Employeeer Benfit Payable	7,31,162	12,88,401
	Total in Rs.	13,34,183	(16,29,103)

S K S TEXTILES LIMITED

Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021

H Fixed Deposite with Banks

Sr. No	Particulars	Current Year	Previous Year
1	DBS-FDR No.111506020073	17,21,151	16,09,571
2	DBS-FDR No.111506050134	16,82,751	15,77,619
3	DBS-FDR No.111506050143	16,78,240	15,71,307
4	DBS-FDR No.111608100055	5,01,023	4,69,653
5	SCB - FDR No: 22539958200	6,05,620	5,66,836
6	SCB - FDR No: 22539960264	6,05,087	5,66,521
7	SCB - FDR No: 22539954825	5,35,990	5,02,061
8	SCB - FDR No: 22539954965	5,96,308	5,58,602
9	SCB - FDR No: 22539955325	5,97,732	5,59,833
10	SCB - FDR No: 22539955783	6,07,596	5,68,996
11	SCB - FDR No: 22539955910	6,07,450	5,68,785
12	SCB - FDR No: 22539956526	6,06,602	5,67,890
13	SCB - FDR No: 22539956933	6,06,230	5,67,466
14	SCB - FDR No: 22539959193	6,04,807	5,66,163
15	SCB - FDR No: 22539961341	5,42,362	5,07,880
16	SCB - FDR No: 22539967048	12,01,875	11,26,681
	Total in Rs.	1,33,00,824	1,24,55,862

I

Sr. No	Particulars	Current Year	Current Year
	TDR Outstanding DBS	-	-
	Total in Rs.	-	-

J Advance Income Tax/ Refund Due

Sr. No	Particulars	Current Year	Current Year
1	Income Tax (Asst.Yr.2017-18)	92,63,859	92,63,859
2	Income Tax (Asst.Yr.2018-19)	1,19,84,175	1,19,84,175
3	Income Tax (Asst.Yr.2019-20)	1,23,59,976	1,23,04,331
4	Income Tax (Asst.Yr.2020-21)	3,47,519	-
5	Income Tax (Asst.Yr.2021-22)	60,344	-
6	Income Tax [Asst. Year 2007-2008]	11,00,000	11,00,000
7	Income Tax [Asst. Year 2009 - 10]	3,94,839	3,94,839
	Total in Rs.	3,55,10,712	3,50,47,204

S K S TEXTILES LIMITED

Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021

K Loans & Advance Recovreble in Cash			
Sr. No	Particulars	Current Year	Previous Year
	<u>MVAT Receivable Account</u>		
1	MVAT Receivable (A.Y. 2016-17)	-	-
2	MVAT Receivable (A.Y. 2017-18) Q-1	-	-
		-	-
	<u>Other Loan Given</u>		
	Priyesh Singh	-	1,50,000
	Sweta Jitendra Punamia		
	Khushal Rashiklal Tamka	63,45,619	58,15,000
	NBFC TDS Refundable	48,825	48,825
	<u>Staff Loan & Advance</u>		
	Kripa Chandra Yadav	-	(10,933)
	Dilipkumar Narsingh Singh	-	10,000
	Ganesh Poshetty Arige	-	10,000
	Manoj Kumar Singh	-	1,100
	Nitin kumar Sishodia	-	5,000
	Nokhelal Varma	-	21,445
	Rameshkumar Sharma -Tour Expenses	-	35,888
	Rotash N Goswami	-	78,075
	Sachin Chikne	-	2,000
	Shankar Sitaram Singh- Loan A/C	50,000	50,000
	Sisirkanta Pradhan	-	12,330
	<u>Tufs Interest Subsidy</u>		
	Tufs Interest Subsidy F.Y. 2016-17		
	Tufs Interest Subsidy F.Y. 2017-18 (Maharashtra State)	15,08,574	15,08,574
	Tufs Interest Subsidy F.Y. 2017-18	15,08,574	15,08,574
	Tufs Interest Subsidy F.Y. 2018-19 (Maharashtra State)	7,84,656	7,84,656
	Tufs Interest Subsidy F.Y. 2018-19	7,84,656	7,84,656
	Total in Rs.	1,10,30,904	1,08,15,190
	<u>Prepaid Expenses</u>		
	T-Fat Solution (Software Development charges)	-	3,46,680
	Prepaid Telephone Expenses	-	4,908
	Prepaid Insurance	3,76,647	3,86,410
	Total in Rs.	2,24,38,455	2,23,68,378

S K S TEXTILES LIMITED**Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021****M Sale of Goods**

Sr. No	Particulars	Current Year
1	Finished Sales	22,82,59,191
2	Greige Sales	5,98,827
3	Yarn Sales	4,28,667
	Total Sales	22,92,86,685
	Less: Finished Sale Return	72,32,012
	Less: Discount	67,46,070
	Total in Rs.	21,53,08,602

N Other Income

Sr. No	Particulars	Current Year
1	Interest on Security Deposit	13,567
2	Interest on FDR	8,31,559
3	Interest Received on Loans	10,62,692
4	Rent Income- GST	65,58,389
5	Recovery of Bad Debts	11,690
6	Excess Provision of Gratuity reversed	28,11,976
7	Sundry Balances Written Back	1,93,340
	Total in Rs.	1,14,83,214

S K S TEXTILES LIMITED**Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021****O Purchase of Goods**

Sr. No		Particulars	Current Year
1		Trading Purchases	22,96,01,952
2		Yarn Purchase	2,65,598
		Total Purchase	22,98,67,549
		Less : Purchases Return	5,48,200
		Total in Rs.	22,93,19,349

S K S TEXTILES LIMITED**Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021****Q Factory expenses & job work**

Sr. No	Particulars	Current Year
1	Labour Charges	22,64,126
2	Factory Expenses	30,858
3	Weaving Charges	3,25,165
4	Loading & Unloading Charges	1,090
5	Yarn Dyeing Expenses	19,375
		-
	Total in Rs.	26,40,614

R Packing Material expenses

Sr. No	Particulars	Current Year
1	Packing Materials	-
2	BalePacking Charges	-
		-
	Total in Rs.	-

S Interest expenses

Sr. No	Particulars	Current Year
1	Interest on Business Loan	6,22,644
2	Interest on Auto Loan	19,111
3	Interest on CC (Working Capital)	4,09,13,761
4	Interest Moratorium Additional Interest	7,88,558
5	Interest on Credit Card	65,81,340
6	Interest on ECGLS	14,35,501
7	Interest on WCDL	88,73,871
8	Interest On SCB Invoice Finance	2,62,374
	Total in Rs.	5,94,97,161

T Bank Charges & Stamp Duty

Sr. No	Particulars	Current Year
1	Bank Charges	62,08,763
2	Stamp duty	1,09,890
3	Loan Processing Fees	73,401
	Total in Rs.	63,92,054

S K S TEXTILES LIMITED**Break-up of Schedule items appearing in Balance Sheet as at 31st March, 2021*****U* IPO Expnses**

Sr. No	Particulars	Current Year
1	Listing fees	10,000
2	Annual Custody Fees	18,000
	Total in Rs.	28,000

S K S TEXTILES LIMITED
Schedules Forming Integral Part of the Balance Sheet as at 31 March , 2021
Schedule : 12

9360000 (12,99,56,209)

Sr. No	Particulars	Rate	Life	Gross Block				Depreciaton					Net Block	
				Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Earlier Years Dep	Deduction during the year	Value at the end	WDV as on 31.03.2021	WDV as on 31.03.2020
I	<u>Tangible Assets</u>													
1	Land			18,90,000	-	-	18,90,000	-	-	-	-	-	18,90,000	18,90,000
2	Building	9.50%	30	1,45,79,562	-	-	1,45,79,562	70,00,523	7,20,009	-	-	77,20,532	68,59,030	75,79,039
3	Plant and Machinery													
	Generator Set	18.10%	15	-	-	-	-	-	-	-	-	-	-	-
	Air Compressor	12.50%	22.5	35,61,318	-	9,12,630	26,48,688	16,76,740	2,35,458	-	6,21,323	12,90,875	13,57,813	18,84,578
	Cone Winding Machines	18.10%	15	5,82,840	-	-	5,82,840	2,71,755	56,306	-	-	3,28,061	2,54,779	3,11,085
	Weaving Textiles Machine	12.50%	22.5	20,72,50,906	-	6,79,34,697	13,93,16,209	11,90,10,238	1,10,11,812	-	5,91,04,343	7,09,17,707	6,83,98,502	8,82,40,668
	Goods Lifting Cranes	18.10%	15	5,76,000	-	5,76,000	-	2,68,568	55,645	-	3,24,213	-	-	3,07,432
	Humidification Unit	18.10%	15	2,22,25,923	-	2,22,25,923	-	60,30,811	29,31,315	-	89,62,126	-	-	1,61,95,112
	Power Control Plants	18.10%	15	18,14,923	-	-	18,14,923	6,61,776	2,08,720	-	-	8,70,496	9,44,427	11,53,147
	Power Stabilizers	18.10%	15	6,40,300	-	-	6,40,300	2,33,475	73,635	-	-	3,07,110	3,33,190	4,06,825
	Warping Machine	18.10%	15	38,95,372	-	-	38,95,372	18,20,186	3,75,609	-	-	21,95,795	16,99,577	20,75,186
	Weighing Machine	18.10%	15	83,124	-	-	83,124	59,543	4,268	-	-	63,811	19,313	23,581
	Winding Machine	18.10%	15	2,52,773	-	-	2,52,773	2,42,236	1,907	-	-	2,44,143	8,630	10,537
	Water Softening Plants	18.10%	15	2,07,000	-	-	2,07,000	56,681	27,208	-	-	83,889	1,23,111	1,50,319
	Water Pump Sets	18.10%	15	13,255	-	-	13,255	6,170	1,282	-	-	7,452	5,803	7,085
	Other Allied Machine	18.10%	15	32,58,709	-	-	32,58,709	22,69,848	1,78,984	-	-	24,48,832	8,09,877	9,88,861
	Transformers	18.10%	15	6,90,247	-	6,90,247	-	2,30,235	83,262	-	3,13,497	-	-	4,60,012
	Electric Installation	18.10%	15	1,14,94,056	-	1,14,94,056	-	94,91,195	3,62,518	-	98,53,713	-	-	20,02,861
	Stabuli Textile Knotting Machine	18.10%	15	75,000	-	-	75,000	26,433	8,791	-	-	35,224	39,776	48,567
	Computerized pattern Maker	18.10%	15	55,96,100	-	-	55,96,100	13,35,488	7,71,171	-	-	21,06,659	34,89,441	42,60,612
	Computerized Air Dryer-air Cooled	18.10%	15	5,79,375	-	-	5,79,375	1,11,429	84,698	-	-	1,96,127	3,83,248	4,67,946
	Skoda Octavia Ambition Car	31.23%	8	18,03,755	-	-	18,03,755	4,30,921	4,28,736	-	-	8,59,657	9,44,098	13,72,834
	Carpeted Road- RCC	9.50%	30	8,50,000	-	-	8,50,000	2,25,879	59,291	-	-	2,85,170	5,64,830	6,24,121
4	Office Equipments													
	Computers	39.30%	6	3,70,517	-	-	3,70,517	3,46,122	9,587	-	-	3,55,709	14,808	24,395
	Air Condition	31.23%	8	2,76,366	-	-	2,76,366	2,19,939	17,622	-	-	2,37,561	38,805	56,427
	Fire Extinguisher	39.30%	6	1,19,423	-	-	1,19,423	1,13,451	2,347	-	-	1,15,798	3,625	5,972
	Printer & Faxes	39.30%	6	96,681	-	-	96,681	84,854	4,648	-	-	89,502	7,178	11,826
	Net Work Firewall	39.30%	6	45,500	-	-	45,500	9,551	14,128	-	-	23,679	21,821	35,949
	Epabx Systems	39.30%	6	61,059	-	-	61,059	52,169	3,494	-	-	55,663	5,396	8,890
	Furniture & fixture	25.89%	10	41,46,582	-	41,46,582	-	26,94,724	3,75,886	-	30,70,610	-	-	14,51,859
	C C T V	18.10%	15	1,80,355	-	1,80,355	-	1,71,362	1,628	-	1,72,990	-	-	8,993
	Attendance Machine	39.30%	6	18,000	-	-	18,000	3,214	5,811	-	-	9,025	8,975	14,786
	Mobile -OPPO-A35	18.10%	15	8,027	-	8,027	-	1,044	1,264	-	2,308	-	-	6,983
	Mobile -Samsung S-10 Plus	18.10%	15	55,182	-	55,182	-	7,325	8,662	-	15,987	-	-	47,857
	Mobile -Samsung S-10 Plus	18.10%	15	55,182	-	55,182	-	7,325	8,662	-	15,987	-	-	47,857
	Televisions	18.10%	15	1,43,285	-	1,43,285	-	89,613	9,715	-	99,328	-	-	53,672
	Battery for Inverter	18.10%	15	6,780	-	6,780	-	1,394	975	-	2,369	-	-	5,386
	Inverter	18.10%	15	20,313	-	20,313	-	4,177	2,921	-	7,098	-	-	16,136
	Total Current Year			28,75,23,790	-	10,84,49,259	17,90,74,531	15,52,66,394	1,81,47,975	-	8,25,65,892	9,08,48,477	8,82,26,054	13,22,57,396
	Previous Year			30,06,48,649	1,36,391	1,32,61,250	28,75,23,790	14,83,76,324	1,66,86,260	-	97,96,190	15,52,66,394	13,22,57,396	15,22,72,331



S K S TEXTILE LIMITED

SCHEDULES FORMING PART OF ACCOUNTS FOR THE Y.E. 31.03.2021

NOTES:

1. CORPORATE INFORMATION:

The Company is a public limited company domiciled in India. Initially the company was incorporated as private Limited Company under the provisions of Companies Act, 1956 and then converted to public limited during the year under the provisions of Companies Act 2013. The company is engaged in the business of manufacturing of Textile goods.

2. SIGNIFICANT ACCOUNTING POLICIES:

(A) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with mandatory accounting standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of Companies Act, 2013.

(B) USE OF ESTIMATES

The preparation of financial statements requires estimates & assumptions to be made that effect the reported amount of assets & liabilities on the date of the financial statements and the reported amount of revenues & expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

(C) FIXED ASSETS

Fixed Assets are stated at Cost of Acquisition less accumulated depreciation and impairment losses. Fixed assets include all incidental expenses related to acquisition and installation of the concerned assets.



(D) DEPRECIATION:

Depreciation on Tangible assets is provided at the rates prescribed in Schedule II of the Companies Act, 2013. Depreciation calculated on pro-rata basis on additions made during the year.

(E) INCOME AND EXPENSES:

Sales & Purchases are net of trade discount and return.

(F) REVENUE RECOGNITION:

Revenue from sales of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer which coincides with dispatch of goods to customer. Sales are stated exclusive of sales tax and net of trade and quantity discount.

(G) GOVERNMENT GRANTS AND SUBSIDIES:

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received.

Government grants in the nature Capital Subsidy received upon the amount invested on Plant and Machinery, where no repayment is ordinarily expected in respect thereof, are treated as Deferred Revenue Income and has been proportionately credited to Profit & Loss Account on the basis of actual useful life of the Plant & Machinery.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

(H) INVENTORIES:

Inventories have been valued at lower of cost or net realizable value. Cost in respect of purchased materials & finished goods consists of purchase price including freight inward, brokerage and other expenditure directly attributable to the acquisition.



(I) FOREIGN CURRENCY TRANSACTION:

Transaction in foreign currency are recorded at the rate of exchange in force on the date of the transaction. Current assets, current liabilities & borrowings denominated in foreign currency are translated at the exchange prevalent at the date of the balance sheet. The resultant gain\loss, except in cases where they relate to the acquisition of fixed assets, are recognized in the profit & loss Account.

(J) TAXES ON INCOME:

Current Tax: Provision for current income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the specific applicable laws.

Deferred Tax: Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized.

(K) IMPAIRMENT OF ASSETS:

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. Impairment loss is recognized whenever the carrying amount of assets exceeds its recoverable amount.

(L) PROVISION & CONTINGENCIES:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision are not discounted to present value and are determine on best estimate require to settle the obligation at the Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized and are disclosed by way of notes to accounts.



(M) LEASE:

Leases, where the lessor effectively retains substantially all risks and benefits of ownership of the lease item are classified as operating lease. Operating lease payments as an expense in the profit and loss account on a straight-line basis over the lease term.

SCHEDULES FORMING PART OF ACCOUNTS FOR THE Y.E. 31.3.2021

Notes & information forming part of accounts.

27) Capital Commitment: Estimated amount of contracts remaining to be executed on capital account and not provided for NIL (Previous year Rs. NIL).

28) Based on the information there are no outstanding balances of the enterprises registered under the Micro, Small and Medium enterprises, Development Act, 2006.

29) In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all the known liabilities and depreciation are adequate and not in excess of the amount reasonably required.

30) The company has taken commercial premise on operating lease. Amount debited to the statement of profit and loss Rs.8,10,846/- (Rs.7,70,400/-)

The Company has also taken Factory premises under operating lease agreements. Amount debited to the statement of profit and loss Rs.38,94,000/- (Rs.32,44,000/-)

31) Expenditure in Foreign Currency

Particulars	2019-2020 Amount(Rs.)	2018-2019 Amount(Rs.)
Purchase of Assets	NIL	NIL



32) Deferred Tax: Deferred tax Assets/Liability has been recognized as per accounting standards 22 issued by the ICAI on account of timing difference in depreciation of Fixed assets and accordingly Net Deferred Tax Assets amounting to Rs.22,95,951/- has been charged to profit and loss account.

34) EARNINGS PER SHARE as per Accounting Standard 20:

Particulars	Current Year	Previous Year
Profit /(Loss)After Taxation (Rs.)	(10,72,59,925)	2,32,45,416
Weighted No. of Eq. Shares Outstanding	32,59,437	32,59,437
Basic Earnings Per Share (Rs.)	(32.91)	07.13
Nominal Value (Rs.)	10.00	10.00



34) Related Party Disclosure as Per AS-18:

i) Names of Related Parties:

Sr. No.	Name of Person	Relationship
1	Sukhanraj B. Shah	Director
2	Vicky S. Shah	Director
3	Sahil S. Shah	Director
4	Sheetal Ashish Khabia	Director
5	Satish Anand Sharma	Director
6	Mihir Mahendrakumar Manek	Director
7	Satish Sharma	Director
8	Parag Housing Development P Ltd	Companies under same Management
9	Vicky International	Director Proprietary firm
10	Bhoormal S Shah	Director's Brother in Law
11	Sapna Vicky Shah	Wife of Director
12	Sahil Shah - HUF	Directors HUF
13	Vicky Shah- HUF	Directors HUF
14	Lalita S Shah	Mother of Director

ii) Details of Transaction with related parties during the period:

Name of party	Nature of Transaction	For the Period ended 31.03.2020		For the Period ended 31.03.2019	
		Income/ Receipts	Expenses/ Payments	Income/ Receipts	Expenses/ Payments
Sukhanraj B. Shah	Loan Remuneration Interest	77,90,769	72,13,361 9,50,356 1,83,611	17,50,498	14,76,800 9,43,859
Vicky S. Shah	Loan Remuneration Interest	94,13,205	1,25,67,003 9,50,357 16,64,081	1,42,88,980	38,37,515 9,43,859
Sahil S. Shah	Loan Remuneration Interest	20,23,145	16,25,064 9,50,356 1,05,910	5,40,000	3,35,000 9,30,364
Sapna Vicky Shah	Remuneration	-	12,785	-	1,06,346



	Director Sitting Fees		84,000		40,000
Mihir M Manek	Director Sitting Fees	-	55,000	-	45,000
Satish Sharma	Director Sitting Fees	-	15,000	-	-

iii) Outstanding balance as on 31-03-2020

Name of Party	Nature of Transaction	Receivables	Receivables	Payables	Payables
		2019-2020	2018-2019	2019-2020	2018-2019
Sukhanraj B. Shah	Loan	-	-	9,70,254	3,92,846
Vicky S. Shah	Loan	-	-	76,82,849	1,08,36,647
Sahil S. Shah	Loan	-	-	80,344	4,78,425
Parag Housing Development P Ltd	Loan	-	-	5,66,500	5,66,500

36 Previous year figures have been regrouped/recast wherever necessary.



37 (a) As per the certificate received from Registered chartered engineer ,the Management have decided to increase the life of Certain Fixed assets as follow,

Name of Assets	Life as per companies Act	Life as per management
Air Compressor	15 Years	22.50 Years
Weaving Textile Machine	15 Years	22.50 Years
Electric Installation	10 Years	15 Years

As per our report of even date attached
Bhatter & Company
Chartered Accountants
FRN: 131092W

For and on behalf of the Board

(Mr. Daulal Bhatter)
Proprietor
M. No. 0169734
Mumbai
Dated: 30/06/2021

Director

Director