

Kaytex Fabrics Private Limited
Registered Office: Batala Road, P.O.Khanna Nagar, Amritsar
CIN: U18101PB1996PTC017639

Email ID: info@kaytexfabrics.com

Mobile No: 9815322260

Notice

Notice is hereby given that Annual General Meeting of the Equity Shareholders of the **Kaytex Fabrics Private Limited** shall be held on **Saturday, 30th December, 2023** at the Registered Office of the Company at Batala Road, P.O.Khanna Nagar, Amritsar at 1.00 p.m. to transact the following business as :

Ordinary Business:

1. To receive, consider and adopt the Annual Accounts of the Company for the year ended 31st March, 2023 together with Director's Report and Auditor's Report thereon.

2. To Consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“Resolved that the re-appointment of M/S S G U R & Co. Chartered Accountants, Amritsar having Firm Registration No. 005429N allotted by The Institute of Chartered Accountants of India, as statutory auditors of the company to hold office, from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, in the **Fifth term** of five years and as approved by the Equity Shareholders in terms of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules, 2014) on such remuneration, as may be mutually agreed upon between the Board of Directors of the company and the statutory Auditors in addition to reimbursement of Goods and Services Tax, travelling and out-of-pocket expenses, be and is hereby ratified.”

3. To consider declaration of dividend, if any.

On Behalf of the Board

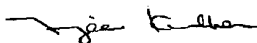
For Kaytex Fabrics Private Limited



(Amit Kandhari)

(Director)

DIN: 01412828



(Sanjeev Khandari)

(Director)

DIN: 01412837

Dated: 02nd September, 2023

Place: Amritsar

Kaytex Fabrics Private Limited
Registered Office: Batala Road, P.O. Khanna Nagar, Amritsar
CIN: U18101PB1996PTC017639

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Ref No.....

Dated: 02nd September, 2023

Director's Report

Your Directors feel pleasure to present Director's Report to the Equity Shareholders of the Company:

1. Financial Performance: (Rs. In lakhs)

The financial Highlights for the year ended 31st March, 2023 are as under:

Particulars	31.03.2023	31.03.2022
Revenue from operations	9941.24	8232.39
Depreciation	192.07	187.76
Net Profit Before Taxation	903.26	460.37
Tax Expenses for Current Year	211.54	122.80
Adjustment for Deferred Tax	-13.84	-47.25
Net Profit After Taxation	705.56	384.82

The overall operations and performance of the Company was satisfactory. There was rise in Revenue from operations from Rs. 8232.39 Lakhs to Rs. 9941.24 Lakhs. The depreciation increased from Rs. 187.76 Lakhs to Rs. 192.07 Lakhs. The Directors of the company are optimistic that the result will be more colorful in coming Years.

2. Dividend:

The Directors of the Company does not recommend any dividend for the financial year 2022-2023.

3. Director's Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby stated:

- (i) That in the preparation of the annual accounts for the financial year ended **31st March, 2023**, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (ii) That the Directors have 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 **2022-2023** and of the **profit** of the company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the Annual Accounts for the year ended **31st March, 2023** on a going concern basis;
- (v) That the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. Compliances of Applicable Laws:

The Board of Directors states that your company has devised proper systems to ensure compliance of all laws applicable to the company.

5. General Disclosures:

- a) The Company is not a Sick Company
- b) The Company has not issued any Equity Shares during the financial year.
- c) The Company has not bought back its shares during the financial year.
- d) There was no amount which need to be transferred to Investor Education and Protection Fund.
- e) Managerial remunerations is within the limits of the Companies Act, 2013
- f) The Company being a Private Limited Company there is no requirement of Audit Committee, Nomination and Remuneration Committee to be constituted

6. Changes in Directorship, Management or Control:

There is no change in the Directorship of the Company. Also there is no change in management or control of the company.

7. Disqualification of Directors:

None of the directors of your company have incurred any disqualification or vacated office pursuant to the provisions of the Companies Act, 2013 or any other law for time being in force.

8. Auditors:

The Company Auditors M/S SGUR & Co. Chartered Accountants, Amritsar having Firm Registration No. 005429N allotted by The Institute of Chartered Accountants of India, are appointed as statutory auditors of the company for holding office for five consecutive years subject to ratification at every AGM. The Board of directors of your company recommends the name of M/S SGUR & Co. Chartered Accountants, Amritsar having Firm Registration No. 005429N to be appointed as auditor of the Company by way of ratification.

9. Auditors Comments:

The Auditors comments are self explanatory.

10. Material Financial Changes:

There have been no material changes after the end of the financial year till the date of this report.

11. Formal Annual Evaluation and Other matters as may be prescribed:

The Company need not to Report on the Formal Annual Evaluation and Other Matters as prescribed under Section 134(3)(q) of the Companies Act, 2013. Such matters are applicable to Listed Companies and all other public limited companies having paid up equity share capital of Rs.25.00 Crores at the end of the preceding financial year.

12. Number of Meetings of the Board of Directors:

Sr. No.	Date Of Meeting	Total number of directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	11/04/2022	2	2	100
2	26/04/2022	2	2	100
3	21/05/2022	2	2	100
4	26/05/2022	2	2	100
5	08/07/2022	2	2	100
6	13/07/2022	2	2	100
7	28/07/2022	2	2	100
8	31/08/2022	2	2	100
9	02/09/2022	2	2	100
10	17/10/2022	2	2	100
11	21/10/2022	2	2	100
12	10/01/2023	2	2	100
13	27/03/2023	2	2	100

During the year the Board of Directors met 13 times.

13. Risk Management Policy:

The Company has a robust Risk Management Policy to identify, evaluate business risks and opportunities.

14. Corporate Social Responsibility:

The Company has duly constituted a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013 and the constitution of the said Committee is as follows:

S. No.	CSR Committee Member	Designation/Category
1	Sanjeev Kandhari	Director
2	Amit Kandhari	Director

15. Independent Directors:

The Company need not appoint any Independent Director in pursuant to Section 149 of the Companies Act, 2013.

16. Particular of loans, guarantees or investments under Section 186 of the Companies Act, 2013:

The Company has not made any investments under section 186 of the Companies Act, 2013 :

Sr. No.	Name of the Recipient	Type	Amount(in Rs.)
-----NIL-----			

17. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflows:

Conservation of Energy:

As regards the conservation of Energy in pursuance of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the directors of your Company report the following:

TABLE A

	2022-2023	2020-2021
1.Electricity		
A.Purchased		
Unit	5553593.41	4752916.7
Total Amount(in Rs.)	48927158.00	41873196.47
Rate per unit (in Rs.)	8.81	8.81
B.Own Generation:	Nil	Nil
Through Diesel Generator		
Unit	702345.95	401271.6
Total Amount(in Rs.)	8849559.04	5056022.70
Rate per unit (in Rs.)	12.60	12.60
C.Through Steam Turbine/Generator	Nil	Nil
2.Coal	Nil	Nil
3.Furnance Oil	Nil	Nil
4.Others/Internal Generation	Nil	Nil

2. Consumption per unit of Production:	2022-2023	2022-2023
	Production not ascertainable due to varied product mix	Production not ascertainable due to varied product mix
Production (Mtrs)		
Electricity (in Units)	N.A	N.A
Unit/energy Consumption Rate	N.A	N.A

Technology Absorption:

As regards the Technology Absorption in pursuance of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the directors of your Company report that the products of the company are as per the latest trends and as per the needs of the customer. No amount has been spent on Research and development.

Foreign Exchange Earning and Outgo:

As regards the Foreign Exchange Earnings and Outgo in pursuance of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the directors of your Company report that the company has not earned foreign exchange and but has spent Rs. 4,06,16,512.86 foreign exchange on import of goods.

18. Related Party Transactions:

Related Party transactions in pursuant to Section 188 of the Companies Act, 2013 in Form AOC -2 are attached herewith as Annexure I.

19. Public Deposits

The company has not accepted any deposits from the public

20. Maintenance of Cost Records

The Central Government has not specified maintenance of Cost Records of the Company.

21. Transfer to General Reserves:

For the period ended 31st March 2023, the Company has not transferred any sum to its General Reserves.

22. Transfer OF Unclaimed/Unpaid Dividend to Investor Education and Protection Fund:

No amount has been transferred to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules').

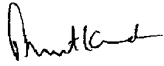
23.Extension of Date of holding Annual General Meeting.

The directors of your Company inform that the due date of holding Annual General Meeting of the Company was 30th September, 2023. The Company applied for Extension of the Annual General Meeting with Honorable Registrar of Companies, Chandigarh and extension was granted further for a period of 3 months. Hence, the Annual General Meeting for the financial year 2022-2023 is called on 30th December, 2023.

24. Acknowledgements:

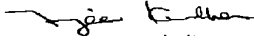
The Directors acknowledge with gratitude the co-operation and assistance extended by various Government Agencies, Clients of the Company, Bankers, Employees and the Equity Shareholders of the Company.

For Kaytex Fabrics Private Limited



(Amit Kandhari)
(Director)

DIN: 01412828



(Sanjeev Khandari)
(Director)

DIN: 01412837

Dated: 02nd September, 2023

Place: Amritsar

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

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

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

- (a) Name(s) of the related party and nature of relationship Amit Khandhari, Director
- (b) Nature of contracts/arrangements/transactions : Salary
- (c) Duration of the contracts / arrangements/transactions :
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 60,00,000.00
- (e) Date(s) of approval by the Board, if any: 26/04/2022
- (f) Amount paid as advances, if any: Nil

3.(a) Name(s) of the related party and nature of relationship: Sanjeev Kandhari, Director

- (b) Nature of contracts/arrangements/transactions : Salary
- (c) Duration of the contracts / arrangements/transactions :
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 60,00,000.00
- (e) Date(s) of approval by the Board, if any: 26/04/2022
- (f) Amount paid as advances, if any: Nil

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

- (a) Name(s) of the related party and nature of relationship Priti Kandhari, Director's wife
- (b) Nature of contracts/arrangements/transactions : Salary
- (c) Duration of the contracts / arrangements/transactions :
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 12,60,000.00
- (e) Date(s) of approval by the Board, if any: 26/04/2022
- (f) Amount paid as advances, if any: Nil

5.(a) Name(s) of the related party and nature of relationship: Shelly Kandhari, Director's wife

(b) Nature of contracts/arrangements/transactions : Salary

(c) Duration of the contracts / arrangements/transactions :

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 12,60,000.00

(e) Date(s) of approval by the Board, if any: 26/04/2022

(f) Amount paid as advances, if any: Nil

6. (a) Name(s) of the related party and nature of relationship: Kandhari Textiles Private Limited

(b) Nature of contracts/arrangements/transactions : Rent

(c) Duration of the contracts / arrangements/transactions :

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 36,60,000.00

(e) Date(s) of approval by the Board, if any: 26/04/2022

(f) Amount paid as advances, if any: Nil

7.(a) Name(s) of the related party and nature of relationship: Sahil Kandhari, Director's Son

(b) Nature of contracts/arrangements/transactions : Salary

(c) Duration of the contracts / arrangements/transactions :

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs.12,00,000.00

(e) Date(s) of approval by the Board, if any: 26/04/2022

(f) Amount paid as advances, if any: Nil

8. (a) Name(s) of the related party and nature of relationship: Radha Krishna Trading .(Sister Concern)

(b) Nature of contracts/arrangements/transactions : Purchases

(c) Duration of the contracts / arrangements/transactions :

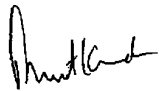
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 13,16,78.864

(e) Date(s) of approval by the Board, if any: 26/04/2022

(f) Amount paid as advances, if any: Nil

On Behalf of the Board

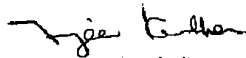
For Kaytex Fabrics Private Limited



(Amit Kandhari)

(Director)

DIN: 01412828



(Sanjeev Khandari)

(Director)

DIN: 01412837

Dated: 02nd September, 2023

Place: Amritsar



Chartered Accountants

50-51 2nd Floor, Nehru Complex, Lawrence Road, AMRITSAR 143001

Phone +91-183-2212993 2211352 Fax +91-183- 5016597

E-mail sajeevsud@gmail.com; sudguptaca@gmail.com

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2023

To the Members of
Kaytex Fabrics Private Limited
Amritsar

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Kaytex Fabrics Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

BASIS FOR OPINION

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are not applicable to the company as the company is an unlisted company.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, 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 standalone 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 are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs, (Standards on Auditing) 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,(Standards on Auditing) 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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

A. As required by the Companies(Auditor's Report) Order,2020("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 1 a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

B. As required by Section 143(3) of the Act, we report that:

- 1.) 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.
- 2.) 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.

3.) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

4.) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

5.) On the basis of the written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.

6.) 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 2" to this report.

7.) 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 Companies Act, 2013 as amended, we report that Section 197 is not applicable to Private Limited Company. Hence, reporting as per Section 197(16) is not required.

8.) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company does not have any pending litigation which would impact its financial position.

(b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(d) (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"),

with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(d) (iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

(e) The Company has not declared or paid any dividend during the financial year.

(f) As provisions of Audit Trail as per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to all companies w.e.f 1st April, 2023 reporting under this clause is not applicable.

For S G U R & Co.
Chartered Accountants
FRN:005429N



(Sanjeev Gupta)
(Partner)
M.NO.084210

Dated: 02nd September, 2023
Place: Amritsar

INDEPENDENT AUDITOR'S REPORT [CONTINUED]

Annexure referred to in paragraph A under the heading "Report on other legal and regulatory requirements" of our report of even date Re: Kaytex Fabrics Private Limited (the Company):

1.(a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets, Property, Plant , Equipment(PPE) and Intangible Assets.

(B) The company has maintained proper record of its Intangible Assets if any.

(b) The Fixed Assets, Property, Plant and Equipment (PPE) have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification and in case of any material discrepancies the same have been properly dealt with in the books of account.

(c) According to information and explanations given by the management the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) included in the financial statements are held in the name of the Company.

(d) The company has not revalued its Property, Plant, Equipment(PPE) or Intangible Assets (including Right of Use assets) during the financial year by any Registered Valuer.

(e) No Proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988.

(2) (a) The management has conducted physical verification of inventory at reasonable intervals ,in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if any such discrepancies were noticed by the management they have been properly dealt with in the books of accounts.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

3) The company has not made any investments & not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties;

(a) The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and we report as follows:

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(b) The terms and conditions of the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the company.

(c) The schedule of repayment of principal amount and payment of interest in respect of loans and advances in the nature of loans is stipulated and the receipt of repayment of principal amount and payment of interest is regular.

(d) No amount is overdue for more than 90 days.

(e) The company has not granted any loans or advances in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(4) In our opinion and according to the information and explanation given to us, there are no loans, investment, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(5) The Company has not accepted any deposits or deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

(6) The provisions regarding maintenance of the costs records under Section 148(1) of the Act are not applicable to the Company.

(7). (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, Except for Professional Tax were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, no amount payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end on account of any dispute.

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(8) There have been no transactions recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence no unrecorded income has been properly recorded in the books of account during the year.

(9)(a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The company has not declared willful defaulter by any bank or financial institution or any other lender.

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) No loans raised on short term basis have been utilized for long term purposes.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(11) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(13) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(14) The provisions of Internal Audit is not applicable on the Company.



(15) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.

(16) According to the information and explanations given to us the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

(17) The Company has not incurred any cash losses during the financial year and in the immediately preceding financial year.

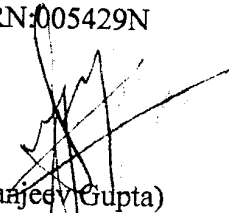
(18) There has been no resignation of the statutory auditor of the Company during the financial year.

(19) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(20) The provisions of Corporate Social Responsibility covered under section 135 of the Companies Act is applicable on the Company.

(21) The Company is not required to prepare its Consolidated Financial Statements hence the clause is not applicable.

For S G U R & CO
Chartered Accountants
FRN:005429N



(Sanjeev Gupta)
(Partner)

M.NO.084210
UDIN: 23084210BGVROV8707

Dated: 02nd September, 2023
Place: Amritsar

INDEPENDENT AUDITOR'S REPORT (CONTINUED)....

Annexure 2 referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date Re: Kaytex Fabrics Private Limited (the Company):

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

We have audited the internal financial controls over financial reporting of **Kaytex Fabrics Private Limited** (“the company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company which considers the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of the Chartered Accountant 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 the 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.

Auditor’s 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 as specified 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 judgments, 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 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 the 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 inherent limitations of internal financial controls over 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 subjected 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 materials 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.

Explanatory Paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2023, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, and our report of even date expressed an unqualified opinion thereon.

For S G U R & Co.
Chartered Accountants
FRN:005429N



(Sanjeev Gupta)
(Partner)
M.NO.084210

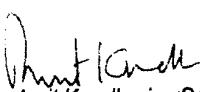
Dated: 02nd September, 2023
Place: Amritsar

KAYTEX FABRICS PVT. LTD.
Balance Sheet as on 31st MARCH 2023

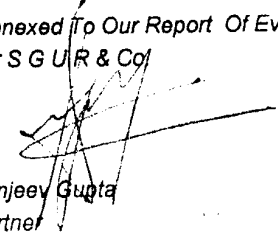
		(Rs. In 100)	
		31/03/2023	31/03/2022
Particulars	Note No.		
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1-5	50,000	50,000
(b) Reserves and surplus	6	2,431,316	1,725,932
(c) Money received against share warrants			
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	7	1,901,749	1,181,499
(b) <u>Deferred tax liabilities (Net)</u>			
(c) Other Long term liabilities			
(d) Long-term provisions			
(e) <u>Finance Lease Liabilities</u>			
4 Current liabilities			
(a) Short Term Borrowings	8	799,361	976,651
(b) <u>Trade payables</u>	9	1,555,758	1,688,392
(A) total outstanding dues of micro enterprises and small			
(B) total outstanding dues of Creditors other than micro e			
(c) <u>Other current liabilities</u>	10	64,278	80,149
(d) <u>Short-term provisions</u>	11	423,355	405,070
(e) <u>Finance Lease Liabilities</u>			
TOTAL		7,225,817	6,107,692
II. ASSETS			
1 Non-current assets			
(a) <u>Fixed assets</u>			
(i) <u>Tangible assets</u>	12	1,721,101	1,107,566
(ii) <u>Intangible assets</u>			
(iii) <u>Capital work-in-progress</u>			
(iv) <u>Intangible assets under development</u>			
(b) <u>Non-current investments</u>	13	34,720	57,220
(c) <u>Deferred tax assets (net)</u>		80,499	66,653
(d) <u>Long-term loans and advances</u>			
(e) <u>Other non-current assets</u>	14	202,506	293
2 Current assets			
(a) <u>Current investments</u>	15	1,551,912	1,721,324
(b) <u>Inventories</u>	16	2,569,157	2,222,473
(c) <u>Trade receivables</u>	17	116,066	175,985
(d) <u>Cash and cash equivalents</u>	18	747,947	550,754
(e) <u>Short-term loans and advances</u>	19	201,907	205,425
(f) <u>Other current assets</u>			
TOTAL		7,225,815	6,107,693

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

For Kaytex Fabrics Pvt.Ltd


Amit Kandhari Sanjeev Kandhari
Director Director

"Annexed To Our Report Of Even Date"
For S G U R & Co


Sanjeev Gupta
Partner

KAYTEX FABRICS PVT. LTD.**Profit and loss statement for the year ended 31st MARCH 2023**

(Rs. In 100)

(Rs. In 100)

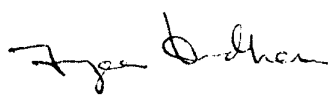
Particulars		Note No.	31/03/2023	31/03/2022
I.	Revenue from operations	20	9,941,243	8,232,394
II.	Other income	21	15,562	8,520
III.	Total Revenue (I + II)		9,956,805	8,240,914
IV.	Expenses:			
	Cost of materials consumed	25	3,280,094	3,247,248
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods work-in-progress and	25	1,349,248	1,013,371
	Employee benefits expense	22	1,328,532	1,026,876
	Finance costs	23	282,106	229,965
	Depreciation, Additional Depreciation and amortization expense	12	192,079	187,769
	Other expenses	24	2,621,482	2,075,311
	Total expenses (iv)		9,053,541	7,780,540
V.	Profit before Prior Period, exceptional and extraordinary items and tax (III-IV)		903,264	460,375
VI.	Prior Period Items(Int)			
VII.	Profit before exceptional and extraordinary items and tax (V - VI)		903,264	460,375
VIII.	Exceptional items			
IX	Profit Before extraordinary Items		903,264	460,375
X	Extraordinary Items			
XI	Profit before tax (VII- VIII)		903,264	460,375
XII	Tax expense:			
	(1) Current tax		211,546	122,807
	(2) Deferred tax		(13,846)	(47,258)
XIII	Profit (Loss) for the period from continuing operations (VII-XIII)		705,565	384,826
XIV	Profit/(loss) from discontinuing operations			
XV	Tax expense of discontinuing operations			
XVI	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XVII	Profit (Loss) for the period (XI + XIV)		705,565	384,826
XVIII	Earnings per equity share:			
	(1) Basic		1.41	0.77
	(2) Diluted		1.41	1.41

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

For Kaytex Fabrics Pvt.Ltd



Amit Kandhari

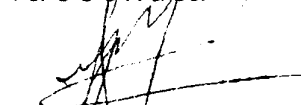
Director
Dinoo Amitear


Sanjeev Kandhari

Director

"Annexed To Our Report Of Even Date"

For S G U R & Co.


Sanjeev Gupta
Partner

Membership No. 84210

KAYTEX FABRICS PVT LTD

Cash Flow Statement for the period ending 31 March, 2023

(Rs. in 100)

PARTICULARS		31.03.2023	
A.	Cash Flow from Operating Activities: Profit before tax	903,264.00	
	Adjustments for:		
	Depreciation and amortisation expense	192,079.00	
	Impairment of fixed assets	-	
	Reversal of Impairment of fixed assets	-	
	(Profit)/Loss on assets sold/discarded	7,715.00	
	Provision for Income Tax W/off	-	
	Provision for doubtful advances in the nature of loans	-	
	Profit on sale of non-current assets	-	
	Profit on sale of non-current investments	-	
	(Gain)/Loss on cancellation of forwards, swaps and options	-	
	Writing off of balances of TDS Reversal	-	
	Income from non-current investments	-	
	Finance costs	-	
	Provision for wealth tax	-	
	Exchange (gain)/loss on revaluation of foreign currency loans and swaps	-	
			1,087,628.00
	Operating Profit before Working Capital Changes		1,087,628.00
	Adjustments for:		
	Increase/(Decrease) in Sundry Creditors	132,635.00	
	Increase/(Decrease) in Short Term Provisions	18,285.00	
	Increase/(Decrease) in Short Term Borrowings	177,290.00	
	Increase/(Decrease) in Other Current Liabilities	15,871.00	
	(Increase)/Decrease in Sundry Debtors	346,685.00	
	(Increase)/Decrease in Inventory	169,412.00	
	(Increase)/Decrease in Short Term Loans & Advances	197,193.00	
	(Increase)/Decrease in Other Current Assets	3,518.00	
	Cash Generated from Operations	-	678,459.00
	Direct tax paid	-	211,546.00
	Net Cash Flow from/(used in) Operating Activities	-	197,623.00
B.	Cash Flow from Investing Activities:		
	Purchase of fixed assets	844,999.00	
	Sale of fixed assets	47,100.00	
	Advance received against sale of asset	-	
	Purchase of investments in subsidiaries(2)	-	
	Purchase of other non-current Assets	202,213.00	
	Sale of non-current investments	22,500.00	
	Sale/Redemption of investments in subsidiaries	-	
	(Purchase)/Sale of current investments (net)	-	
	Inter-corporate deposits/Shareholders' loan given	-	
	Repayment of inter-corporate deposits/shareholders' loan	-	
	Fixed/Restricted deposits with banks (placed)/realised	181.00	
	Interest received		
	Dividend received		
	Net Cash Flow from/(used in) Investing Activities	-	977,793.00
C.	Cash Flow from Financing Activities:		
	Issue of Equity Shares		

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Capital contributions received	-	
Proceeds from borrowings	720,250.00	
Repayment of borrowings	-	
Amount received/(paid) on cancellation of forwards, swaps and options	-	
Expenses (incurred)/reimbursed on issue of equity instruments	-	
Distribution on Hybrid Perpetual Securities	-	
Interest including loan issue expenses paid(1)	-	
Dividend paid	-	
Tax on dividend paid	-	
Net Cash Flow from/(used in) Financing Activities		720,250.00
Net increase/(decrease) in Cash and Cash Equivalents		59,917.00
Opening Cash and Cash Equivalents as on 01.04.2022		175,985.00
Effect of exchange rate on translation of foreign currency		
Cash and Cash Equivalents as on 31.03.2023		116,068.00

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Note No.1 Authorized, Issued & Paid up capital	(Rs. In 100)		(Rs. In 100)	
	31-03-2023		31/03/2022	
Authorized Capital	Share	Amount	Share	Amount
Equity Shares of Rs. 10 each	5,00,000.00	50,000.00	5,00,000.00	50,000.00
Issued				
Equity Shares of Rs. 10 each	5,00,000.00	50,000.00	5,00,000.00	50,000.00
Subscribed & Paid up		50,000.00		50,000.00
Equity Shares of Rs. 10 each fully paid	5,00,000.00	50,000.00	5,00,000.00	50,000.00
Subscribed but not fully Paid up				
Equity Shares of Rs.10 each, not fully paid up	-	-	-	-
Total	5,00,000.00	50,000.00	5,00,000.00	50,000.00

Note No. 2 Reconciliation of Share Capital	Equity Shares		Preference Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,00,000.00	50,00,000.00	Nil	Nil
Shares Issued during the year	-	-	Nil	Nil
Shares bought back during the year	-	-	Nil	Nil
Shares outstanding at the end of the year	5,00,000.00	50,00,000.00	Nil	Nil

Note No.3 List of Share holder holding more than 5 % share	31/03/2023		31/03/2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sanjeev Kandhari	2,19,875.00	0.44	2,19,875.00	0.44
Amit Kandhari	2,19,875.00	0.44	2,19,875.00	0.44
Janak Kandhari	60,100.00	0.12	60,100.00	0.12

KAYTEX FABRICS PVT LTD
For the Year Ended 31st MARCH 2023

Note No.6 Reserve & Surplus	(Rs. In 100)	(Rs. In 100)
	31/03/2023	31-03-2022
a. General Reserve		
Opening Balance	9,43,958	7,29,076
(+) Current Year Transfer	2,14,535	92,075
(+) Provision For Income Tax	-	1,22,807
Closing Balance	11,58,493	9,43,958
b. Surplus		
Opening balance	7,81,975	6,12,031
(+) Net Profit/(Net Loss) For the current year	7,05,565	3,84,826
(-) Provision For Income Tax	-	1,22,807
(-) Transfer to Reserves	2,14,535	92,075
(-) Bank Of Baroda	181	-
Closing Balance	12,72,822	7,81,975
Grand Total	24,31,316	17,25,932

Note No. 7 Long Term Borrowings	31/03/2023	31-03-2022
BANK OF BARODA CAR LOAN 07970600001508		
HDFC T/L A/C NO.85098851	94,659	93,584
HDFC Term Loan (82613128)	-	-
HDFC T/L/A/C NO. 83856982	84,384	83,323
HDFC T/L/A/C NO. 85934372	1,87,839	1,85,644
HDFC BANK LTD T/L A/C NO.83036570	17,193	16,786
HDFC BANK LTD 87538285	1,69,921	-
HDFC BANK LTD 86470376	1,54,331	-
HDFC BANK LTD TERM LOAN 454008868	2,55,000	-
HDFC BANK LTD CAR LOAN 135326433(MG HECT	18,547	-
Unsecured	9,81,874	3,79,337
(b) Term loans	9,19,875	8,02,162
Total	19,01,749	11,81,499

List of Term Loan from Shareholders & Family members	31/03/2023	31-03-2022
AMIT KANDHARI	1,80,642	1,08,960
AMIT KANDHARI (HUF)	1,01,521	1,01,146
CHAHAT KANDHARI	14,722	13,100
ESTATE OF KRISHAN KUMAR KANDHARI	84,467	72,691
JANAK KANDHARI	83,971	72,455
PRITI KANDHARI	89,482	86,971
SAHIL KANDHARI	26,451	16,878
SANJEEV KANDHARI	31,382	59,868
SANJEEV KANDHARI HUF	1,73,822	1,58,285
SHELLY KANDHARI	62,801	49,804
S.S.ENTERPRISES (PROP. SUDHIR KUMAR AHUJA HUF)	15,203	12,884
VIKAS ENTERPRISES (PROP. SWEETY AHUJA)	55,410	49,121
Total	9,19,875	8,02,162

Note No. 8 Short Term Borrowings	31/03/2023	31-03-2022
Secured from Banks		
From Banks		
HDFC C/C A/C	7,99,361	7,70,168
(Secured By Hyp. Of Stocks, P & M and L & B)	-	-
Term Loans Repayable In 12 Months		
HDFC T/L A/C NO.85098851	-	-
HDFC Car Loan(Audi Q5Black)	-	28,685
HDFC Car Loan(Audi Q5 White)	-	-
HDFC Term Loan (82613128)	-	-
HDFC commercial vehile (257)	-	7,675
HDFC T/L/A/C NO. 85934372	-	-
HDFC BANK LTD T/L A/C NO.83036570	-	42,912
HDFC T/L/A/C NO. 83856982	-	70,116
	-	57,095
Total	7,99,361	9,76,651

Note No. 9 Trade Payables	31/03/2023	31-03-2022
Trade Payables	15,55,758	16,88,392
Total	15,55,758	16,88,392

Note No. 10 Other Current Liabilities	31/03/2023	31-03-2022
Cheque in Transit	54,264	39,686
Others	10,014	40,462
Total	64,278	80,149

Note No. 11 Short Term Provisions	31/03/2023	31-03-2022
Wages Payable	1,08,811	42,348
Annual Leave with wages payable	15,945	24,124
Gratuity Payable	21,136	36,687
Provision for Income Tax Payable	1,434	1,213
Electricity Payable	20,307	19,556
Interest Payable	38,496	25,489
Dividend Payable	43	219
ST Output (RCM)	3,184	2,725
ST Output (RCM)	419	296
ST Output (RCM)	419	296
	72	69

IGST Input Receivable (RCM)	69	-
Punjab Labour Welfare Fund A/C	653	-
Provision for taxation	2,11,546	2,51,229
Professional Tax	821	821
Total	4,23,355	4,05,070

Note No.14 Other non current assets	31/03/2023	31-03-2022
a. Others		
Fixed Deposits With Bank (Mortgaged with Bank)	2,02,506	293
Total	2,02,506	293

Note No.15 Inventories	31/03/2023	31-03-2022
Yarn	3,04,783	4,51,206
Fabric	12,02,679	12,26,782
Accessories & Mill Store	2,700	2,500
diesel Fuel, oil & Lubricants	2,750	3,536
Dyes & Chemicals	25,000	24,000
Pet coke	12,000	11,000
Packing material	2,000	2,300
Total	15,51,912	17,21,324

Note No. 16 Trade Receivables	Refer List 3	31/03/2023	31-03-2022
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good			
	-		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	25,68,217	22,21,532	
Unsecured, considered good			
	25,68,217	22,21,532	
Due From Sister Concern	940	940	
Total	25,69,157	22,22,473	

Note No. 17 Cash and Cash Equivalents	31/03/2023	31-03-2022
Balances with banks		
Bank of Baroda (Bhilwara)	-	181
Bank of Baroda (Current A/C)	-	-
HDFC Bank	1,02,599	1,51,808
Bank deposits with more than 12 months maturity	-	-
Cash in hand	13,467	23,995
TOTAL	1,16,066	1,75,985

Note No. 18 Short-term loans and advances	31/03/2023	31-03-2022
a. Others		
TCS Receivable	1,774	2,210
TDS Receivable	35,276	25,271
Advance TO WORKERS	5,062	4,343
Advance Tax	55,126	91,000
TENDER	-	-
CGST INPUT	1,87,278	98,345
IGST INPUT	22,254	19,301
CGST OUTPUT	4	77
SGST OUTPUT	4	77
IGST OUTPUT	34	1,092
SGST INPUT	3,97,547	3,08,221
CGST Input Available (RCM)	81	23
SGST Input Available (RCM)	81	23
IGST Input Available (RCM)	-	53
CGST REFUNDABLE	21,354	-
SGST REFUNDABLE	21,354	-
Duty Drawback Recieveable	719	719
TOTAL	7,47,947	5,50,754

Note No.19 Other Current Assets	31/03/2023	31-03-2022
Prepaid Expenses	214	-
ELECTRICITY A/C-MURGI KHANNA GALI	-	-
Advance to creditors	2,01,693	2,05,425
TOTAL	2,01,907	2,05,425

Note No.20 Revenue from Operation	31/03/2023	31-03-2022
Sale of products	83,39,141	71,00,867
Other Business revenues	-	-
Job Work	16,02,103	11,31,527
	-	-
	99,41,243	82,32,394

Note No.21 Other Income	31/03/2023	31-03-2022
Interest Income	3,719	3,471
Exchange Rate Difference	539	5,046
Profit on Sale of Fixed Assets/Scrap	7,715	-
Rent	3,552	-
Round Off	4	3
Excess & short Recovery	33	1
Rate Diff. A/C - Purchase	-	-
Rebate & Discount A/C (Purchase)	-	-
Total	15,562	8,520

Note No.22 Employee Benefits Expense	31/03/2023	31-03-2022
(A) DIRECT EXPENSES		
Staff welfare expenses	6,228	5,469
Wages	9,45,084	7,00,207
TOTAL (A)	9,51,312	7,05,676
(B) INDIRECT EXPENSES		
Salary :		
Wages	24,830	23,747
Directors	1,20,000	1,20,000
Others	1,31,032	1,03,739
Annual Leave with Wages	39,141	28,340
Bonus	58,586	42,551
Gratuity	3,630	2,824
Total (B)	3,77,220	3,21,201

Note No.23 Finance Costs	31/03/2023	31-03-2022
Interest expense	2,76,411	2,26,450
Bank Charges	5,695	3,515
Total	2,82,106	2,29,965

Note No.24 Other Expenses	31/03/2023	31-03-2022
(A) DIRECT EXPENSES		
Accessories Consumed	1,79,516	91,712
Clipping & Mending Charges	86,038	74,804
Cord Cutting Expenses	5,450	10,209
Cutting & Twisting	10,806	12,445
Diesel, Fuel, Oil & Lubricants Consumed	88,496	50,560
Dyeing & Finishing	3,40,140	1,85,450
Electric Mill Store	17,948	9,268
Electricity	4,89,272	4,18,732
Embroidery	1,42,754	1,54,761
Fire Fighting Exp	1,354	2,302
Custom Duty	1,436	-
Freight	78,829	46,232
Fabrication	2,840	776
Pet Coke Consumed	6,63,399	5,36,601
Custom Clearing & forwarding	1,176	147
Designing	10,226	10,840
Sorting & Grading	25,404	15,757
Round Off	-	-
Winding Charges	-	-
TOTAL (A)	21,45,084	16,20,596

(B) INDIRECT EXPENSES		
Building Repair	6,926	6,641
Car Repair & Maintenance	4,099	6,323
Computer Repair	2,726	1,946
Freight Outward	147	614
Annual Maintenance Charges	1,472	1,960
Conveyance Allowance	359	254
Punjab Labour welfare A/c (Employer share)	519	-
Vehicle Running Exp	19,644	18,558
Diwali Exp.	6,643	2,234
Donation	1,592	1,282
Fees & Taxation	6,252	4,215
Loss on sale of Assets	-	7,997
Legal Expenses	1,875	960
Property Tax(House Tax)	91	84
Interest On Late Deposit Of Tds	100	98
Insurance	6,852	10,910
Misc. exp.	978	257
Mobile Phone Exp.	762	700
Motorcycle Repair	256	167
Postage	2,199	1,705
Pollution	2,617	-
Printing & Stationary	11,975	8,945
Professional Charges	653	1,202
Repair & Maintenance	36,492	16,395
Security Agency Charges	23,398	20,617
Software Development Charges	400	390
Travelling	6,314	2,442
Brokerage	97,448	75,469
Cartage	8,270	8,972
Claim	3,499	5,815
Packing Material Consumed	75,323	70,333
Rate Diff.	12,336	4,584
Rebate & Discount	79,126	99,342
Internet Exp.	549	542
Rent Paid	53,340	70,685
Sale Promotion	1,166	2,076
Total (B)	4,76,397	4,54,715

Note No. 25 Consumption Details
(Rs. In 100)

Stock	op stock	Purchases	Cl. Stock	Consumed	
Yarn	451206.12	2515008.10	304782.89	2661431.33	
Dyes & Chemicals	24000.00	619662.80	25000.00	618662.80	Material Consumed
	0.00	0.00	0.00	3280094.13	f303+f304
	0.00	0.00	0.00	0.00	
Fabrics	1226781.81	1325145.40	1202678.86	1349248.35	Change in Inventory
Accessories & Mill Store	2500.00	179716.34	2700.00	179516.34	
Diesel, fuel, oil & Lub.	3536.31	87709.28	2750.00	88495.59	In Other Expenses Note
Pet Coke	11000.00	664399.31	12000.00	663399.31	
Packing Mt.	2300.00	75022.67	2000.00	75322.67	
	1721324.24	5466663.89	1551911.75	8916170.51	

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information:

Kaytex fabrics Private Limited (The Company) is a Private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is in the business of manufacturing of Cloth.

2. Current versus Non-Current Classification:

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

An asset is treated as current when it is :

- *Expected to be realized or intended to be sold or consumed in Company's normal operating cycle.
- *Held primarily for the purpose of trading.
- *Expected to be realized within twelve months after the reporting period or
- *Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- * All other assets are classified as non-current.

A liability is current when it is:

- *Expected to settle in Company's normal operating cycle.
 - *Held primarily for the purpose of trading.
 - * Due to be settled within twelve months after the reporting period.
 - *There is no unconditional right to defer the settlement of the liability for at at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

3. Deferred Tax Liability:

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management estimates and assumptions that effect the reported amount of assets and liabilities and disclosures of contingent liabilities at the date of financial statements and the result of operations during the reported year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

5. Tangible and Intangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets if any are stated at cost less accumulated amortization.



6. Depreciation and Amortization:

Depreciation on fixed assets is provided on written down value method at the rate arrived at based on the useful lives as estimated by the management which is in accordance with Schedule II to the Companies Act, 2013.

7. Valuation of Inventories:

Inventories of Raw Materials, Work-in-Progress, Stores and Spares, Finished Goods and Stock-in-trade are stated 'at cost'. Cost comprise all cost of purchase, cost of Goods-in-transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

8. Foreign Currency Transactions:

- (i) All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transaction take place.
- (ii) There are no Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year,

9. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured, at the fair value of the consideration received or receivable, taking in to account contractually defined terms of payment. The segregation of the revenue generated is as follows:

Particulars	31 st March,2023	31 st March,2022
Sale of Goods Manufactured(Domestic)	994,124,335	823,239,448
Sale of Goods Traded(Domestic)	NIL	NIL
Sale of Goods Manufactured(Exports)	NIL	NIL
Sale of Goods Traded(Exports)	NIL	NIL

10.Retirement and other employee benefits

The Company has not made any provision of gratuity.

11.Loans & Advances

Loans are stated at the amount advanced including finance charges and expense recoverable, as reduced by the amount received up to the balance sheet date. Similarly unexpired finance charges upto the date of balance sheet have been shown on the liability

side. Both have been classified into current/non current portion based on the time frame of 12 months from the date of financial statements.

12. Borrowing Cost:

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

13. Earning Per Share

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

14. Dues to SSI Units:

As per Information available with the Company, no amount is due to any Micro, Small and Medium Enterprises under the MICRO, Small and Medium Enterprises Development Act, 2006.

15. Deferred Tax Liability:

Provisions of Deferred Tax Liability has been made keeping in view the Principle of Prudence.

16. Contingent Liabilities

There are no contingent liabilities.

17. Taxes on Income:

The Company has followed the provisions of the Income Tax Act, 1961 in regard to the taxes on Income.

18. Related Party Transactions:

The details of Related Party Transactions are as follows:

1. Details of contracts or arrangements or transactions not at arm's length basis **NIL**

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts / arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) date(s) of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

(a) Name(s) of the related party and nature of relationship: Sanjeev Kandhari (Director)



- (b) Nature of contracts/arrangements/transactions: Salary
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Salary amounting Rs.6000000/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Amit Kandhari (Director)
- (b) Nature of contracts/arrangements/transactions: Salary
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Salary amounting Rs. 6000000.00
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Chahat Kandhari (Director Daughter)
- (b) Nature of contracts/arrangements/transactions: Interest
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs.235800/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Sahil Kandhari (Director Son)
- (b) Nature of contracts/arrangements/transactions: Interest
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs. 353858/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Priti Kandhari (Director Wife)
- (b) Nature of contracts/arrangements/transactions: Salary
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Salary amounting Rs.1260000/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Shelly Kandhari (Director)
- (b) Nature of contracts/arrangements/transactions: Salary



- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Salary amounting Rs. 1260000/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Sahil Kandhari (Director Son)
- (b) Nature of contracts/arrangements/transactions: Salary
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Salary amounting Rs.1200000/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Priti Kandhari (Director Wife)
- (b) Nature of contracts/arrangements/transactions: Interest
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs. 1382459/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Janak Kandhari (Director Mother)
- (b) Nature of contracts/arrangements/transactions: Interest
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs.1301767/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Sanjeev Kandhari HUF (Karta Director)
- (b) Nature of contracts/arrangements/transactions: Interest
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs.2726401/-
- (e) Date(s) of approval by the Board, if any: 26/04/2021
- (f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Shelly Kandhari (Director wife)



- (a) Name(s) of the related party and nature of relationship: Vikas Enetrprises (Director Sister Prop.)
(b) Nature of contracts/arrangements/transactions: Interest
(c) Duration of the contracts / arrangements/transactions: N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs. 878316/-
(e) Date(s) of approval by the Board, if any: 26/04/2021
(f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: S S Enterprise (Director Brother In Law Karta)
(b) Nature of contracts/arrangements/transactions: Interest
(c) Duration of the contracts / arrangements/transactions: N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Interest amounting Rs.231903/-
(e) Date(s) of approval by the Board, if any: 26/04/2021
(f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Kandhari Textile Mills Pvt. Ltd (Sister Concern)
(b) Nature of contracts/arrangements/transactions: Rent
(c) Duration of the contracts / arrangements/transactions: N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rent amounting Rs. 3660000/-
(e) Date(s) of approval by the Board, if any: 26/04/2021
(f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Radha Krishna Trading Co. (Sister Concern)
(b) Nature of contracts/arrangements/transactions: Purchases
(c) Duration of the contracts / arrangements/transactions: N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Purchases amounting Rs.131678864/-
(e) Date(s) of approval by the Board, if any: 26/04/2021
(f) Amount paid as advances, if any:

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

- (a) Name(s) of the related party and nature of relationship: Sahil Kandhari
(b) Nature of contracts/arrangements/transactions: Commission
(c) Duration of the contracts / arrangements/transactions: N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Coission amounting Rs.365706/-
(e) Date(s) of approval by the Board, if any: 26/04/2021
(f) Amount paid as advances, if any



19. Cash Flow Statement:

The cash flow statement is attached herewith.

On Behalf of the Board

For Kaytex Fabrics Private Limited

ANNEXURE TO OUR REPORT OF EVEN DATE

For S G U R & CO
Chartered Accountants
FRN:005429N

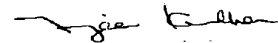
(Sanjeev Gupta
(Partner)

M.NO:084210

UDIN: 23084210BGVROV8707

For Kaytex Fabrics Private Limited


(Amit Kandhari)
(Director)
DIN: 01412828


(Sanjeev Khandari)
(Director)
DIN: 01412837

Dated: 02nd September, 2023
Place: Amritsar