



M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI - 627756.

Report on the Audit of the Financial Statements:

Opinion

We have audited the Financial Statements of M/s. *M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED.*, ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statement including a summary of the 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 accounting principles generally accepted in India, of state of affairs of the Company as at March 2020 and Profit it and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified U/s. 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 there under, 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.

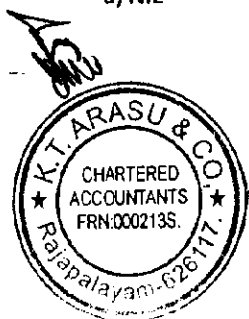
Material Uncertainty Related to Going Concern,

There is no Material Uncertainties seen related to Going Concern and the Company has prepared the aforesaid statements on a going concern basis.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

a) NIL





M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

b) NIL

Our Opinion is not modified in respect of these matters.

Key Audit Matters

Information other than the Standalone 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 Management Discussion and Analysis, Board Report including Annexures to Board's Report, Business Responsibility Report, Corporate governance and Shareholders information, but does not include the standalone financial statements and our Auditors Report thereon.

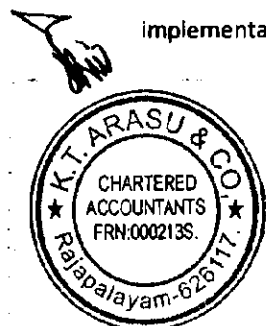
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted Company.

Responsibilities of Management and Those Charged with Governance 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 the Companies (Indian Accounting Standards) Rules, 2015 as amended. 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





M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

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 is 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

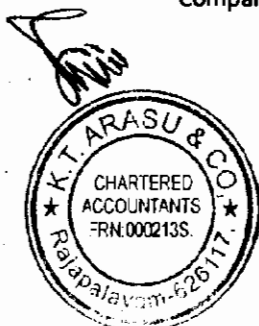
A further description of the auditor's responsibilities for the audit of the Standalone Ind AS financial statements is included in "Annexure-A". The Description forms part of our Auditor's Report.

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 – B" 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, 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.





M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

- c) 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
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Sec. 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, is not applicable to the Company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us".
1. The Company does not have any pending litigations which would impact its financial position
 2. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

RAJAPALAYAM

18th December 2020.



For M/s. K.T.ARASU & Co.,

Chartered Accountants FRN: 000213S.

CA. K.THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 20021834AAAAAU3084



M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

ANNEXURE "A"

RESPONSIBILITIES FOR AUDIT OF STANDALONE IND AS 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 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.



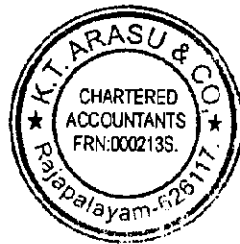


M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

- 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.
- We also 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.

RAJAPALAYAM

18th December 2020.



For M/s. K.T.ARASU & Co.,

Chartered Accountants FRN: 000213S.

CA. K.THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 20021834AAAANJ3084



ANNEXURE "B" TO THE INDEPENDENT AUDITORS REPORT.

Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the Financial Statements of the Company for the year ended 31st March 2020:

1. Fixed Assets:

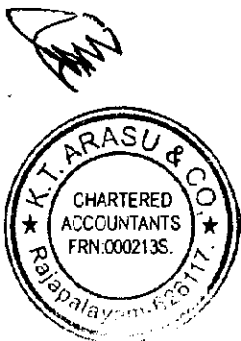
- 1.1 The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 The Fixed Assets were physically verified by the management in accordance with the regular program of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 1.3 According to the information and explanation given to us, and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.

2. Inventory:

- 2.1 The Management has conducted the physical verification of inventory at reasonable intervals.
- 2.2 The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.

3. Loans to Parties Listed U/s.189 if the Act:

The Company has not granted any loan to parties covered in the register maintained under section 189 of the Act and accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.





4. Compliance With Section 185 & 186 of the Act:

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2019 with regard to the deposits accepted from the public are not applicable.

6. The Company is maintaining the accounts and records which have been specified by the Central Government under Section 148(1) of the Act.

7. STATUTORY DUES.

7.1 The Company is regular in depositing undisputed statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

7.2 As the company is not having any overdue under dispute relating to Income tax, value added tax and Service Tax, accordingly the provisions of clause 3 (vii) (b) of the Order are not applicable to the Company.

8. The Company has no loans / pending repayment of dues to Financial Institution or Banks. The Company has neither taken loans from the Government nor has issued any Debentures during the year.

9. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

10. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

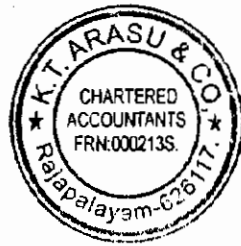




M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

11. In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
12. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clauses 3 (xiv) of the Order are not applicable to the Company.
13. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
14. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

RAJAPALAYAM
18th December 2020.



For M/s. K.T.ARASU & Co.
Chartered Accountants FRN: 000213S.

CA. K.THIRUNAVUKKARASU
Membership No: 021834
UDIN NO: 20021834AAAANJ3084

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****BALANCE SHEET AS AT MARCH 31, 2020**

Particulars	Note No.	As at 31.03.2020		As at 31.03.2019	
		Rs.	Rs.	Rs.	Rs.
I. ASSETS					
1) Non- Current Assets					
(a) Property, Plant and Equipment	3	34599678		38382847	
(b) Capital Work in Progress	3	0		0	
(c) Other Intangible Assets	3	0		0	
(d) Financial Assets					
i) Other Investments	4	NIL		917000	
ii) Others Financials Assets	5	1519747		408466	
(e) Other Non- Current Assets	6	NIL	36119425	NIL	39708313
2) Current Asset:					
(a) Inventories	7	105394891		82677321	
(b) Financial Assets					
i) Trade Receivable	8	51425030		52659375	
ii) Cash and Cash Equivalents	9	792226		1346314	
iii) Other Bank Balance	10	NIL		NIL	
iv) Other Financials Assets	11	0		0	
(c) Other Current Assets	12	4360764	161972911	3900783	140583793
TOTAL ASSETS			198092336		180292106
II. EQUITY AND LIABILITIES					
1) EQUITY					
(a) Equity Share Capital	13	22500000		22500000	
(b) Other Equity	14	39794575	62294575	37395754	59895754
2) LIABILITIES					
A. Non Current Liabilities:					
(a) Fincial Liabilites					
i) Borrowings	15	NIL		NIL	
(b) Deferred Tax Liabilites (Net)		NIL	NIL	NIL	NIL
B. Current Liabilities:					
(a) Fincial Liabilites					
i) Borrowings	16	97084499		93978753	
ii) Trade Payable	17	36455002		25301820	
iii) Other Financial Laibilites	18	NIL		NIL	
(b) Other Current Laibilites	19	718317		105694	
(c) Provisions	20	1539943	135797761	1010085	120396352
TOTAL EQUITY AND LIABILITIES			198092336		180292106

The notes 1 & 2 Is Corporate Information & Significant Accounting Policies.

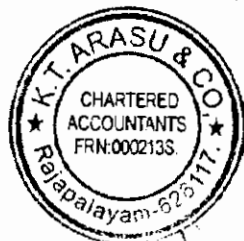
The notes 3 to 20 attached form an integral part of the Balance Sheet Items.

In Accordance with our Report attached

For and on behalf of the Board

For M/S.K.T.ARASU & CO.,
Chartered Accountants FRN: 000213S

CA K.THIRUNAVUKKARASU
Membership No: 021834
UDIN NO: 20021834AAAAAJ3084



A.BALASUUBRAMANIAM
MANAGING DIRECTOR
DIN: 00515998

B. Jeyamani
B.JEYAMANI
DIRECTOR
DIN: 00338077

Place: RAJAPALAYAM
Date : 18.12.2020

Place: CHATRAPATTI
Date : 18.12.2020

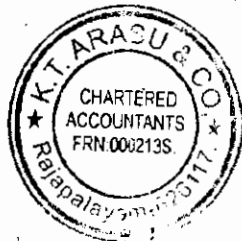
**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED : 31.03.2020**

Particulars	Note No.	31.03.2020		31.03.2019	
		Rs.	Rs.	Rs.	Rs.
INCOME					
I Revenue from Operations	21		135628544		152501779
II Other Income	22		85799		24751
III Total revenue (I+II)			135714343		152526530
IV Expenses :-					
Cost of materials consumed	23	89697130		100628602	
Purchases of stock in trade		NIL		NIL	
Changes in inventories of finished goods, Work in progress and stock in trade	24	-8117786	81579344	-1112029	99516573
Employee benefits expense	25		9050513		9139448
Finance costs	26		4139640		4749176
Depreciation and amortization expense	27		3803411		4115574
Other expenses	28		33202671		33125796
Total Expenses			131775579		150646567
V Net Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			3938764		1879963
VI Exceptional Items	29		0		0
VII Net Profit before tax (vii-viii)			3938764		1879963
VIII Tax expense:					
(1) Current Year tax			1539943		1010085
(2) Previous Year Tax paid			0		0
IX Net Profit/(Loss) for the period from continuing operations /Profit or Loss for the Period			2398821		869878
X Additional Information	30				
XVI Earning per equity share:	31				
(1) Basic			10.66		3.87
(2) Diluted			10.66		3.87

The notes 21 to 31 attached form an integral part of the statement of profit and loss items.

In Accordance with our Report attached

For and on behalf of the Board

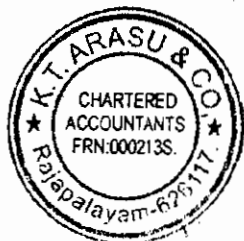
For M/S.K.T.ARASU & CO.
Chartered Accountants FRN : 000213SCA K. THIRUNAVUKKARASU
Membership No: 021834
UDIN NO: 20021834AAAANJ3084
A. BALASUUBRAMANIAM
MANAGING DIRECTOR
DIN: 00515998
B. JEYAMANI
DIRECTOR
DIN: 00338077Place: RAJAPALAYAM
Date : 18.12.2020Place: CHATRAPATTI
Date : 18.12.2020

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	Current reporting period		Previous reporting period	
	Rs.	Rs.	Rs.	Rs.
A. Cash flows from operating activities				
(i) Profit before taxation		3938764		1879963
Adjustments for:				
(a) Depreciation and amortization expense	3803411		4115574	
(b) Interest Payment	4139640		4749176	
(c) Interest received	-85799		-24751	
(d) TDS Previous Year Transferred		7857252	0	8839999
Profit Before Change in Working Capital		11796016		10719962
(i) Increase/Decrease in trade receivables	1234345		3643702	
(ii) Increase/Decrease in inventories	-22717570		-10044877	
(v) Increase/Decrease in Other Current Assets	-459981		0	
(vi) Increase/Decrease in Trade Payables	11153182		6134835	
(vii) Increase/Decrease in Other Financial Liabilities	0		0	
(viii) Increase/Decrease in Other Current Liabilities	1142481	-9647543	0	-266340
		2148473		10453622
(v) Income taxes paid		-1539943		-1010085
Net cash from operating activities	A	608530		9443537
B. Cash flows from investing activities				
Purchase of property : - increase in Fixed Assets	-20242		-2434950	
Decrease in Current Investment	917000		0	
Interest received	85799	982557	24751	-2410199
Net cash from investing activities	B	982557		-2410199
(C) Cash flows from financing activities				
Proceeds of Short Term Borrowings	3105746		-3026126	
Increase/Decrease Non Current Assets	-1111281		1423085	
Interest Payments	-4139640	-2145175	-4749176	-6352217
Net cash from financing activities	C	-2145175		-6352217
Net increase in cash and cash equivalents	(A+B+C)	-554088		681121
Cash and cash equivalents at beginning of reporting period		1346314		665193
Cash and cash equivalents at end of reporting period		792226		1346314
Cash & cash equivalents:		792226		1346314

In Accordance with our Report attached

For and on behalf of the Board

For M/S.K.T.ARASU & CO,
Chartered Accountants FRN : 000213SCA K. THIRUNAVUKKARASU
Membership No: 021834
UDIN NO: 20021834AAAANU3084A. BALASUUBRAMANIAM
MANAGING DIRECTOR
DIN: 00515998B. JEYAMANI
DIRECTOR
DIN: 00338077Place: RAJAPALAYAM
Date : 18.12.2020Place: CHATRAPATTI
Date : 18.12.2020



NOTES FORMING PART OF FINANCIAL STATEMENTS

1) CORPORATE INFORMATION:

M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED (the Company) was incorporated on 06.05.2002. the Company is engaged in the manufacturing of Textile Product viz; Cotton Cloth & Grey Fabrics.

2) SIGNIFICANT ACCOUNTING POLICIES:

i) Basis of Preparation of financial statements:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 2013 ("the Act"). The Accounting Policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

ii) Use of Estimates:

The Preparation of Financial Statements is in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reported period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

iii) Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.



iv) Cash and Cash Equivalents (for the purposes of Cash Flow Statement)

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

v) Cash Flow Statement:

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

vi) Property, Plant and Equipment:

Property, Plant and Equipment (whether Tangible or Intangible) are stated at the cost of acquisitions, less accumulated depreciation/amortization/impairment loss (if any), net of Modvat/Cenvat (Wherever claimed). Investment subsidy received in respect of capital goods are adjusted against cost of acquisition. The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/bringing the assets for their intended use.

Property, Plant and Equipment held for disposal are stated at lower of net book value and net realizable value.

vii) Depreciation and Amortization:

The Depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its residual value. Depreciation on assets has been provided under written down value method based on the useful life of the assets as prescribed under the Companies Act, 2013. Intangible asset is amortized based on management evaluation of the useful life.

Asset Category	Residual Vale(%age)	Useful Life (Years)
Tangible Assets:		
Building	5	60
Plant & Machineries	5	15
Electrical & Fittings	5	10
Furniture & Fittings	5	10



M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

Vehicles	5	10
Other Assets	5	10
Intangible Assets:		
	NIL	

viii) Impairment of Assets:

The Carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognized in prior years is reversed when there is an indication that impairment loss recognized for the asset no longer exists or has decreased.

ix) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost of inventories is computed on FIFO basis and comprises of cost of procurement, cost of conversion and other costs incurred in bringing the inventory to their present location and condition.

x) Investments:

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which investments are made, are classified as current investments. Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost of acquisition. Provision for diminution is made if such diminution is considered other than temporary in nature. Investments in Mutual Funds are valued at the lower of cost and fair value, prevailing as at the Balance Sheet date.



xi) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset till such time the asset ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

xii) 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.

- (a) Sales are accounted on dispatch of products from the factory. Sales are disclosed net of excise duty, sales tax, discounts and returns as applicable.
- (b) Revenue from services is recognized in accordance with the specific terms of contract on performance.
- (c) Interest income on deposits with bank is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (d) All other income is recognized on accrual basis.

xiii) Government Grants and Subsidies:

Grant and subsidies are recognized when there is a reasonable assurance that the grant or subsidy will be received and that all underlying conditions thereto will be complied with. When the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset. When the grant or subsidy relates to revenue expenditure, its value is deducted from the respective expenditure.

xiv) Taxes on Income:

Income Tax Expenses comprise current tax and deferred tax charge or credit.

- (a) **Income Tax:** Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.
- (b) **Deferred Tax:** Deferred Tax is recognized on timing differences, being the difference between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred Tax liabilities are recognized for all timing differences. Deferred Tax assets are recognized and carried forward only to the extent that there



is reasonable certainly, that the assets will be realized in future. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

xv) Provisions, Contingent Liabilities and Contingent Assets:

A Provision is recognized when the Company has present or legal or constructive obligation as a result of past events for which it is probable that an outflow of economic benefit will be required to settle the transaction and reliable estimate can be made for the amount of the obligation. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent asset is not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xvi) Foreign Currency Transactions:

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the yearend rates.

Exchange difference relating to borrowed funds, liabilities and commitments in the foreign currency for acquisition of fixed assets, arising till the assets are ready for their intended use, are adjusted to cost of fixed assets. Any other exchange difference either on settlement or translation is recognized in the Statement of Profit and Loss.

xvii) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they were entitled to participate in dividends related to a fully paid equity share during the reporting period. For the purposes of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI

ACCOUNTING YEAR ENDED : 31st MARCH 2020

3. PROPERTY, PLANT AND EQUIPMENTS AND CAPITAL WORK IN PROGRESS:

SL	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As on 01.04.2019	Additions	Deletions	As on 31.03.2020	Up to 01.04.2019	For the period	Up to 31.03.2020	As at 31.03.2020	As at 31.03.2019
A) Tangible Assets										
1	Land	4795430	0	0	4795430	-	-	-	4795430	4795430
2	Building	20737883	0	0	20737883	9482188	431543	9913731	10824152	11255695
3	Plant & Machinery	69263462	220242	200000	69283704	48546831	3042825	51589656	17694048	20716631
4	Electrical Fittings	5575110	0	0	5575110	5187493	20733	5208226	366884	387617
5	Furniture & Fixtures	603448	0	0	603448	563278	1872	565150	38298	40170
6	Vehicles	2378876	0	0	2378876	1192332	306438	1498770	880106	1186544
7	Library Books	15200	0	0	15200	14440	0	14440	760	760
		103369409	220242	200000	103389651	64986562	3803411	68789973	34599678	38382847
B) Capital Work in Progress										
NIL										
C) Intangible Assets										
NIL										
	TOTAL	103369409	220242	200000	103389651	64986562	3803411	68789973	34599678	38382847

Additional Information:

i) The following assets were revalued in the year NIL.

ii) Borrowing costs capitalized up to March 31, 2020 Rs.NIL.



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI
NOTES TO FINANCIAL STATEMENTS

Particulars			As At 31.03.2020	As At 31.03.2019
FINANCIAL ASSETS				
4. Other Investments				
a). Investment in Equity Instruments			NIL	NIL
Name of the Company	Face Value	No of Shares	Amount	Amount
i) Suryadev Alloys & Power (P) Ltd.,	Rs.10/- per Share	0	NIL	917000
Total			NIL	917000
Additional Information:				
(i) Investment in Equity Instruments represents Captive Power Share Holding Scheme.				
5. OTHER FINANCIAL ASSETS (NON CURRENT)				
a). Security Deposit with Electricity Board/ Others			1505747	394466
b). Other Government Deposits			14000	14000
Total			1519747	408466
6. OTHER NON CURRENT ASSETS				
Unsecured, Considered Good:				
a) Advance to Suppliers / Others			NIL	NIL
b) Preliminary & Pre-Operative Expenditure			NIL	NIL
Less: During the Year Written Off			NIL	NIL
Total			NIL	NIL
7. INVENTORIES:				
a) Raw Materials - Yarn & Grey Cloth			65079931	50466812
b) Work-in-Progress			19600687	18692532
c) Finished Goods - Bleached Cotton Grey Fabrics			19487389	12277758
d) Stores & Spares			1226884	1240219
e) Goods in transit:			NIL	NIL
Total			105394891	82677321
8. TRADE RECEIVABLES				
Secured, Considered Good				
a). Trade receivables exceeding six months			NIL	NIL
b). Others			51425030	52659375
Less: Provision for Doubtful Debts			51425030	52659375
Total			NIL	NIL
Total			51425030	52659375
9. CASH AND CASH EQUIVALENTS				
a). Cash on Hand			20263	2308
b). Balance with Banks				
- In current Accounts			771963	1044006
- In Deposit Account: Fixed Deposit & RD			0	300000
- Cheque on Hand			0	0
Total			792226	1346314
10. OTHER BANK BALANCE				
a). Balance with Banks held as Security against Borrowings			NIL	NIL
b). Earmarked Balances with Banks for unclaimed Dividend			NIL	NIL
Total			NIL	NIL



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI
NOTES TO FINANCIAL STATEMENTS

Particulars	As At	As At		
	31.03.2020	31.03.2019		
	Rs.			
11. OTHER FINANCIAL ASSETS (CURRENT)				
a). GST Receivables	0	0		
b). Security Deposit	0	0		
Total	0	0		
12. OTHER CURRENT ASSETS				
a) Advance to Suppliers / Others	74003	359245		
b) Income Tax - Advance Tax & TDS	359215	1249775		
c) Prepaid Expenses	151725	51008		
d) Other Current Assets - Other Advances	3775821	2240755		
Total	4360764	3900783		
13. EQUITY SHARE CAPITAL				
- Authorised 2,25,000/- Equity Shares Rs.100/- each [Previous Year : 2,25,000 Equity Shares Rs.100/- each]	2,25,00,000	2,25,00,000		
- Issued, Subscribed and Paid up 2,25,000/- Equity Shares Rs.100/- each fully Paid-up [Previous Year : 2,25,000 Equity Shares Rs.100/- each]	2,25,00,000	2,25,00,000		
Total	2,25,00,000	2,25,00,000		
13.1 Reconciliation of the Number of Shares Outstanding				
Number of Shares at the Beginning	2,25,000	2,25,000		
Add: During the Year Shares Issued	-	-		
Number of Shares at the End	2,25,000	2,25,000		
13.2. List of of Share Holders Holding More than 5% of the Company				
Particulars	As at 31.03.2020		As at 31.03.2019	
	No. Of. Shares	%	No. Of. Shares	%
a). Shri.A.Balsubramaniam, MD	1,00,909	44.85%	1,00,909	44.85%
b). Smt.I.Jeyamani, Director	34,091	15.15%	34,091	15.15%
c). Smt.I.Sudha	18,000	8.00%	18,000	8.00%
d). Smt.B.Prabha	18,000	8.00%	18,000	8.00%
e). Smt.A.Radhika	18,000	8.00%	18,000	8.00%
f). Smt.S.Anitha	18,000	8.00%	18,000	8.00%
g). Miss. B. Sudharsanna	18,000	8.00%	18,000	8.00%
	2,25,000	100.00%	2,25,000	100.00%
14. OTHER EQUITY:				
a). Genaeral Reserve			NIL	NIL
b). Retained Earnings				
Opening Balance			37395754	36525876
Add: During the Year Profit Transferred			2398821	869878
Total			39794575	37395754
15. BORROWINGS (NON CURRENT)				
SECURED				
a) Term Loan			NIL	NIL
b) Loans and advances from related parties			NIL	NIL
Sub- Total (i)			NIL	NIL
UNSECURED				
a) Term Loan			NIL	NIL
b) Loans and advances from related parties			NIL	NIL
Sub - Total (ii)			NIL	NIL
Total			NIL	NIL



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI

NOTES TO FINANCIAL STATEMENTS

Particulars	As At	As At		
	31.03.2020	31.03.2019		
	Rs. In			
16. BORROWINGS (CURRENT)				
SECURED				
a) Loans repayable on demand from Banks				
i) Pcking Credit from Bank of India, RJPM	58523707	47442145		
ii) FBP/FBN - Bank of India, RJPM	36962028	44955844		
Total of (i)	95485735	92397989		
UNSECURED				
a) Loans repayable on demand from Banks	NIL	NIL		
b) Loans repayable on demand from others		0		
c) Loans and Advances from Related Parties:				
i). Shri. A. Balasubramaniam	247217	247217		
ii). Smt. B. Jeyamani	1351547	1333547		
Total of (ii)	1598764	1580764		
Total (I +ii)	97084499	93978753		
16.1. Details of Security for Secured Loans:				
S.No.	Type of Loan	Nature of Security	31.03.2020	31.03.2019
(i)	Packing Credit from Bank of India, RJPM	ECPC / PCFC (USD /EURO) Limit Rs.7 Crores	58523707	47442145
(ii)	FBP/FBN - Bank of India, RJPM	FBP / FBN / FCN / FCD PSCFC(USD/EURO) DP / DA 180 days with overall Limit of Rs.9.00 Crores	36962028	44955844
	Total		95485735	92397989
16.2. primary Security: Hypothecation of Stocks & Book Debts and Cash Margin for LC and BG.				
16.3. Collateral Security: EQM of Factory Land & Building and Hypothecation of Plant & Machinery				
16.4. Guarantors: Both Directors of Shri.A.Balasubramaniam & Smt.B.Jeyamani				
17. TRADE PAYABLES				
a) Sundry Creditors for Trade			29881677	20700123
b) Sundry Creditors for Others			6573325	4601697
	Total		36455002	25301820
18. OTHER FINANCIAL LIABILITES				
a).Unpaid Dividend			NIL	NIL
b).Liability for Operating and Other Expenses			NIL	NIL
c).Liability for Other Finance			NIL	NIL
	Total		NIL	NIL
19. OTHER CURRENT LIABILITES				
a).Unpaid Dividend			NIL	NIL
b).Liability for Operating and Other Expenses			NIL	NIL
c).Liability for Other Finance			NIL	NIL
d) Advance for Equity Share Capital A/c			NIL	NIL
e) Others Payable				
(i) Statutory Liabilities			643317	30694
(ii) Provision for Expenses			75000	75000
(iii) Others			0	0
	Total		718317	105694
20. PROVISIONS				
a). Provision for Taxation			1539943	1010085
	Total		1539943	1010085



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI

NOTES TO FINANCIAL STATEMENTS

Particulars	31.03.2020	31.03.2019
24. CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS:		
Stocks at the beginning of the Year:		
1. Work-in-Progress	18692532	17693596
2. Finished Goods - Bleached Grey Fabrics	12277758	12164665
	30970290	29858261
Less: Stocks at the end of the year:		
1. Work-in-Progress	19600687	18692532
2. Finished Goods - Bleached Grey Fabrics	19487389	12277758
	39088076	30970290
NET INCREASE /DECREASE	-8117786	-1112029
25. EMPLOYEE BENEFIT EXPENSES:		
i) Salaries, wages & Bonus	6022847	5801996
ii) Remuneration to Whole Time Directors	360000	700000
iii) Labour & Staff welfare expenses :		
(1) Labour Welfare Expenses	28485	63348
(2) Travelling Allowance	1069136	1042132
(3) House Rent Allowance	1570045	1531972
Total	9050513	9139448
26. FINANCE COSTS:		
i) Interest on Bank Borrowings	3578404	4690958
ii) Bank Charges	561236	58218
Total	4139640	4749176
27. DEPRECIATION AND AMORTISATION EXPENSES:		
i) Depreciation	3803411	4115574
ii) Amortization of intangible assets	0	0
iii) Others	0	0
Total	3803411	4115574

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****NOTES TO FINANCIAL STATEMENTS**

Particulars	31.03.2020	31.03.2019
28. OTHER EXPENSES:		
a) Manufacturing Expenses:		
i) Power and fuel	17026760	14567235
ii) Packing Expenditures	887408	632629
iii) Stores, Spares & Chemical Consumed	5674089	7497977
iv) Repairs to Machinery, Electricals etc.,	1105935	462404
v) Lorry Freight	290281	510142
b) Administrative Expenses:		
i) Licences and Taxes	331082	308404
ii) GST payments - GST act	804332	0
ii) Repairs to Others	378219	561811
iii) Water Supply Expenses	1149500	1256775
iv) ESI, EPF & EPS	772357	818366
v) Printing and Stationery	48281	59142
vi) Postage, Telephones and Telegram	95659	96298
vii) Travelling Expenses	101555	91492
viii) Professional Charges	48306	67056
ix) Payment to the Auditors (Refer Details Below)	75000	75000
x) Foreign Exchange Fluctuaions	1422219	71610
xi) Insurance Payments	204653	179224
xii) Pooja Expenses	4718	6001
xiii) Sundry Expenses	3179	6777
c) Selling Expenses:		
Shipping Charges and Expenses	2356453	4204174
Foreign Agent Commission and Expenses	422685	1653279
Total	33202671	33125796
Payment to Auditors - Break up:		
i) As Statuory Auditors	50000	50000
ii) For Taxation Matters	25000	25000
Total	75000	75000
29. Details of items of exceptional and extraordinary nature:		
Exceptional items		
Income	NIL	NIL



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI

NOTES TO FINANCIAL STATEMENTS

Particulars	For the Current reporting period		For the Previous reporting period	
	Amount	% to total	Amount	% to total
30 Additional information:				
a) Value of imports calculated on CIF basis:	NIL		NIL	
i) Raw materials				
ii) Components and spare parts				
iii) Capital goods				
b) Expenditure in foreign currency: (net of withholding tax)	NIL		NIL	
i) Royalty				
ii) Know how				
iii) Professional and consultancy fees				
iv) Interest				
v) Other matters				
c) Sl. Particulars				
i) Value of imported raw materials, spare parts and components consumed	NIL	NIL	NIL	NIL
ii) Value of indigenous raw materials, spare parts and components consumed	9.63 Crores	100%	10.88 Crores	100%
	9.63 Crores	100%	10.88 Crores	100%
d) Details of non-resident shareholdings				
i) Number of non-resident share holders				
ii) Number of shares held by non-resident share holders				
iii) Amount remitted during the year in foreign currency on account of dividends	NIL		NIL	
e) Earnings in foreign exchange:				
i) Export of goods calculated on FOB basis	113040701		137887077	
ii) Royalty, Knowhow, professional and consultancy fees				
iii) Interest and dividends	NIL		NIL	
iv) Other income-indicate nature				



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI
NOTES TO FINANCIAL STATEMENTS

Particulars	For the Current Reporting Period	For the Previous reporting period
31. EARNING PER SHARE:		
(a) After extraordinary item:	- No Extraordinary Item	
(b) Before extraordinary item:		
Profit for the year after tax expense		
Adjustment for extraordinary item (net of tax)	2398821	869878
	2398821	869878
<u>Less:</u>		
Preference dividend payable including dividend tax	0	0
	2398821	869878
Weighted average number of equity shares	225000	225000
Earning per share	10.66	3.87



M/s. NACHIAR HEALTHCARE FABRICS PRIVATE LIMITED, CHATRAPATTI – 626102.

NOTES TO FINANCIAL STATEMENTS

32. RELATED PARTY TRANSACTIONS:

As per Accounting Standard - 18 issued by the Companies (Accounting Standard) Rules, 2006, and the Institute of Chartered Accountants of India, the company's related parties are given below.

i) List of Related parties with whom transaction have taken place and relationship:

S.No	Name of the Related Party	Relationship
1	M/s. Jayanachiar Textile Mills Private Limited	KMP Interested Concern
2	M/s. Naatchiar Textile Exporters	KMP Interested Concern

ii) Transaction during the year with related parties:

1	Name of the Related Party	Relationship	
	M/s. Jayanachiar Textile Mills Private Limited	KMP Interested Concern	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Yarn Purchase & Normal Transactions	37,28,834	76,38,172
	Closing Balance (Debit Balance)	3,981	3,57,181
2	Name of the Related Party	Relationship	
	M/s. Naatchiar Textile Exporters	KMP Interested Concern	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Purchase of Yarn & Cloth	12,38,03,873	12,75,90,857
	Closing Balance (Credit Balance)	2,95,82,422	2,07,00,123

33. The Company's Income-tax assessment is completed up to the assessment year 2019-20 and there is no disputed demand in respect of the completed assessment.

34. The Company has Regularly Filed GST Return without Pending & without any Penalty during the Previous Year.