



INDEPENDENT AUDITORS REPORT

To

The Members of M/s. Nachiar Healthcare Fabrics Private Limited, Chatrapatti – 626 102.

Report on the Financial Statements:

We have audited the accompanying financial statements of M/s. Nachiar Healthcare Fabrics Private Limited ("The Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) In the Case of Balance Sheet, of state of affairs of the Company as at 31st March 2021
- b) In the Case of Profit and Loss Account, of the Profit it and
- c) In the Cash Flow Statement, of the cash flows for the year ended on that date.

Management's Responsibility for the Financial Statements:

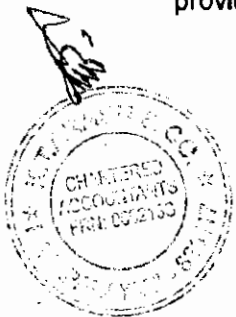
The company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





Auditors Responsibility:

1. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material statement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



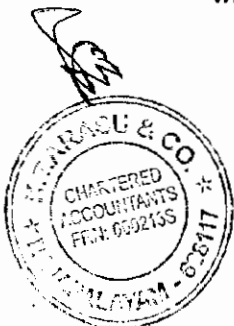


OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at 31st March 2021, its profit/loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditors Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a 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.
 - c) The Balance Sheet, 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 Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In our opinion and to the best of our information and according to the explanations given to us, we have no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.





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

- f) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of section 164(2) of the Act.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- The company does not have any pending litigations which would impact its financial position.
 - The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - There were no amounts which required to be transferred by the company to the Investor Education and Protection Fund.

RAJAPALAYAM

19th November 2021



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

Chartered Accountants FRN: 0002135.

CA. K. THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 22021834AAAAABJ1533



ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT.

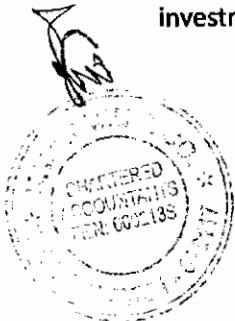
Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the Financial Statements of the Company for the year ended 31st March 2021:

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:

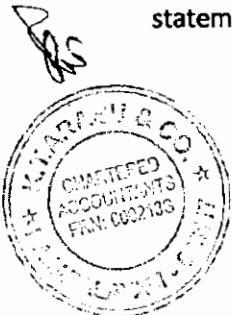
- 2.1 The Management has conducted the physical verification of inventory at reasonable intervals.
 - 2.2 The discrepancies noticed on verification between the physical stocks and the book records were properly dealt with in the books of account and were not material.
- 3.** The Company has not granted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





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

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, 2015 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. Undisputed and dispute taxes and duties
 - 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 2021 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, Goods and Services 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.
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

19th November 2021



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

Chartered Accountants FRN: 0002135.

CA. K. THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 22021834AAAABJ1533



ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT

"Annexure B" to the Independent Auditors Report of even date on the Financial Statements of M/s. Nachiar Healthcare Fabrics Private Limited.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

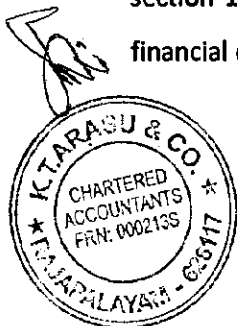
We have audited the internal financial controls over financial reporting of M/s. Nachiar Healthcare Fabrics Private Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS:

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act. 2013.

AUDITORS' RESPONSIBILITY:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both applicable to an audit of Internal Financial Controls and both issued





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

by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

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

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





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

only in accordance with authorizations of management and directors of the company;
and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING:

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

OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

RAJAPALAYAM

19th November 2021.



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

Chartered Accountants FRN: 000213S.

CA. K. THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 22021834AAAABJ1533

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****BALANCE SHEET AS AT MARCH 31, 2021**

Particulars	Note No.	As at 31.03.2021		As at 31.03.2020	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1) Shareholders' Funds :					
(a) Share Capital	1	22500000		22500000	
(b) Reserves & Surplus	2	41977517	64477517	39794575	62294575
2) Share Application Money Pending Allotment					
			NIL		NIL
3) Non Current Liabilities :					
(a) Long Term Borrowings	3	15000000		0	
(b) Other Long Term Liabilities	4	NIL		NIL	
(c) Long Term Provisions	5	NIL	15000000	NIL	0
4) Current Liabilities :					
(a) Short Term Borrowings	6	91641963		97084499	
(b) Trade Payables	7	33245234		35074554	
(c) Other Current Liabilities	8	1632158		2098765	
(d) Short Term Provisions	9	1116638	127635993	1539943	135797761
TOTAL			207113510		198092336
II. ASSETS					
(1) Non - Current Assets					
(a) Property, Plant and Equipment					
(i) Tangible assets	10	31633734		34599678	
(b) Non - current investments	11	0		0	
(c) Long term loans and advances	12	1896132		1519747	
(d) Other non current assets	13	0	33529866	0	36119425
(2) Current assets					
(a) Current Investments	14	0		0	
(b) Inventories	15	119269207		105394891	
(c) Trade receivables	16	50086178		51425030	
(d) Cash and cash equivalents	17	165203		792226	
(e) Short term loans and advances	18	4063056		4360764	
(f) Other current assets	19	NIL		NIL	
TOTAL			173583644		161972911
(3) Contingent Liability					
	20		NIL		NIL
			207113510		198092336

The notes 1 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

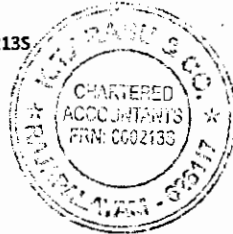
For M/S.K.T.ARASU & CO.,

Chartered Accountants FRN : 0002135

CA. K. THIRUNAVUKKARASU

Membership No: 021834

UDIN NO: 22021834AAAABJ1533



A. BALASUBRAMANIAM

MANAGING DIRECTOR

DIN: 00515998

B. JEYAMANI

DIRECTOR

DIN: 01745056

Place: RAJAPALAYAM

Date : 19.11.2021

Place: CHATRAPATTI

Date : 19.11.2021

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2021**

Particulars	Note No.	31.03.2021		31.03.2020	
		Rs.	Rs.	Rs.	Rs.
INCOME					
I Revenue from Operations	21		211105409		135628544
II Other Income	22		72045		85799
III Total Revenue (I+II)			211177454		135714343
IV Expenses :-					
Cost of Materials Consumed	23	153611978		89697130	
Purchases of Stock in Trade, Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	24	NIL		NIL	
Employee Benefits Expenses	25		153551714	-8117786	81579343.6
Finance Costs	26		10902795		9050513
Depreciation and Amortization Expenses	27		4286177		4139640
Other Expenses	28		2965944		3803411
Total Expenses			36171244		33202671
			207877874		131775579
V Net Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			3299580		3938764
VI Exceptional items	29		0		0
VII Net Profit before tax (V-VI)			3299580		3938764
VIII Tax expense:					
(1) Current Year tax			1116638		1539943
(2) Previous Year Tax paid			0		0
IX Net Profit/(Loss) for the period from continuing operations /Profit or Loss for the Period			2182942		2398821
X Additional Information	30				
XVI Earning per equity share:	31				
(1) Basic			9.70		10.66
(2) Diluted			9.70		10.66

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 : 0002135

CA.K.THIRUNAVUKKARASU
Membership No: 021834
UDIN NO: 22021834AAAABJ1533



A. BALASUBRAMANIAM
MANAGING DIRECTOR
DIN: 00515998

B. JEYAMANI
DIRECTOR
DIN: 01745056

Place: RAJAPALAYAM
Date : 19.11.2021

Place: CHATRAPATTI
Date : 19.11.2021

**M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI****CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Current reporting period		Previous reporting period	
	Rs.	Rs.	Rs.	Rs.
A. Cash flows from operating activities				
(i) Profit before taxation		3299580		3938764
Adjustments for:				
(a) Depreciation and amortization expense	2965944		3803411	
(b) Interest Payment	4286177		4139640	
(c) Interest received	-72045		-85799	
		7180076		7857252
Profit Before Change in Working Capital		10479656		11796016
(i) Increase/Decrease in trade receivables	1338852		1234345	
(ii) Increase/Decrease in inventories	-13874316		-22717570	
(iii) Increase/Decrease in Other Current Assets	297708		-459981	
(iv) Increase/Decrease in Trade Payables	-1829320		11153182	
(v) Increase/Decrease in Other Current Liabilities	-889912	-14956988	1142481	-9647543
		-4477332		2148473
(vi) Income taxes paid		-1116638		-1539943
Net cash from operating activities		-5593970		608530
B. Cash flows from investing activities				
Purchase of Property : - Increase in Fixed Assets	0		-20242	
Decrease in Current Investment	0		917000	
Interest received	72045	72045	85799	982557
Net cash from investing activities		72045		982557
(C) Cash flows from financing activities				
Proceeds of Short Term Borrowings	-5442536		3105746	
Proceeds of Long Term Borrowings	15000000		0	
Increase/Decrease in Non Current Assets	-376385		-1111281	
Interest Payments	-4286177	4894902	-4139640	-2145175
Net cash from financing activities		4894902		-2145175
Net increase in cash and cash equivalents		(A+B+C) -627023		-554088
Cash and cash equivalents at beginning of reporting period		792226		1346314
Cash and cash equivalents at end of reporting period		165203		792226
Cash & cash equivalents:		165203		792226

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: 22021834AAAABJ1533A.BALASUBRAMANIAM
MANAGING DIRECTOR
DIN: 00515998B. Jeyamani
B.JEYAMANI
DIRECTOR
DIN: 01745056Place: RAJAPALAYAM
Date : 19.11.2021Place: CHATRAPATTI
Date : 19.11.2021



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

NOTES TO FINANCIAL STATEMENTS

1. SHARE CAPITAL:

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number	Rs.	Number	Rs.
Authorized:				
Equity shares of Rs.100 /-each	225000	22500000	225000	22500000
	225000	22500000	225000	22500000
Equity shares of Rs.100 /-each				
At the beginning of the reporting period	225000	22500000	225000	22500000
Issued during the reporting period	NIL	NIL	NIL	NIL
Bought back during the reporting period	NIL	NIL	NIL	NIL
At the close of the reporting period	225000	22500000	225000	22500000
Issued, subscribed but not fully paid up:				
Equity shares of Rs.100 /-each	NIL	NIL	NIL	NIL
Total	225000	22500000	225000	22500000
Other Information:				
The company has no Preference Share Capital.				
The Equity Shares carry equal voting rights in proportion to the holdings and do not have any restriction on the Quantum of Dividend.				
I) Equity shares include:				
a. Shares allotted pursuant to a contract without consideration being received in cash.	NIL	NIL	NIL	NIL
b. Shares allotted by way of bonus shares	NIL	NIL	NIL	NIL
c. Shares held by the holding company	NIL	NIL	NIL	NIL
d. Equity shares bought back during the five years immediately preceding the date of the balance sheet	NIL	NIL	NIL	NIL
II. Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Nos.	%	Nos.	%
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). Mrs. B. Sudharsanna	18,000	8.00%	18,000	8.00%
TOTAL	2,25,000	100.00%	2,25,000	100.00%
III Securities convertible into equity/preference shares	NIL	NIL	NIL	NIL
IV Shares reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment	NIL	NIL	NIL	NIL



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

NOTES TO FINANCIAL STATEMENTS

2. Reserves and Surplus:

<u>Particulars</u>	<u>Surplus i.e balance in statement of Profit & Loss 31.03.2021 Rs.</u>	<u>Surplus i.e balance in statement of Profit & Loss 31.03.2020 Rs.</u>
At the beginning of the reporting period	3,97,94,575	3,73,95,754
Transferred from/to Profit & Loss account	21,82,942	23,98,821
At the close of the reporting period	4,19,77,517	3,97,94,575

3. Long Term Borrowings:

<u>Particulars</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
1) Secured Loans:		
a. Term Loans - Covid '19 Term Loan	1,50,00,000	NIL
b. Loans and advances from related parties	NIL	NIL
c. Other loans and advances	NIL	NIL
	1,50,00,000	0
2) Unsecured Loans:		
a. Term Loans	NIL	NIL
b. Loans and advances from related parties	NIL	NIL
	0	0
3) Total Long Term Borrowings (1+2)	1,50,00,000	0

Additional Information:

3.1. Details of security for secured loans:

<u>Type of Loan</u>	<u>Nature of Security</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
Covid'19 Term Loan - Bank of India, RJPM	Covid'19 Working Capital Term Loan Limit Rs.1.50 Crores	1,50,00,000	0
Total		1,50,00,000	0

3.2. Primary Security: Hypothecation of Stocks & Book Debts and Cash Margin for LC and BG.

3.3. Collateral Security: EQM of Factory Land & Building and Hypothecation of Plant & Machinery

3.4. Guarantors: Both Directors of Shri.A.Balasubramaniam & Smt.B.Jeyamani

4. Other Long Term Liabilities:

a) Trade Payables	NIL	NIL
b) Others	NIL	NIL
	NIL	NIL

5. Long term Provisions:

a) Provisions for employee benefits	NIL	NIL
b) Others (specify nature)	NIL	NIL
	NIL	NIL



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

NOTES TO FINANCIAL STATEMENTS

6. Short term Borrowings:

<u>Particulars</u>	<u>As At</u> <u>31.03.2021</u> <u>Rs.</u>	<u>As At</u> <u>31.03.2020</u> <u>Rs.</u>
1) Secured Loans:		
a) Loans repayable on demand from Banks		
(i) <u>Bank of India, Rajapalayam</u>		
(a) Packing Credit	53939553	58523707
(b) FBP/FBN	35925787	36962028
b) Loans and advances from related parties	NIL	NIL
	89865340	95485735
2) Unsecured loans:		
a) Loans repayable on demand		
- from banks	0	0
- from others	0	0
b) Loans and advances from related parties		
i) Shri.A.Balasubramaniam	247217	247217
ii) Smt.B.Jeyamani	1529406	1351547
	1776623	1598764
Total	91641963	97084499

Additional Information:

6.1. Details of security for secured loans:

<u>Type of Loan</u>	<u>Nature of Security</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
Packing Credit from Bank of India, RJPM	ECPC / PCFC (USD /EURO) Limit Rs.7 Crores	53939553	58523707
FBP/FBN - Bank of India, RJPM	FBP / FBN / FCN / FCD	35925787	36962028
Total		89865340	95485735

6.2. Primary Security: Hypothecation of Stocks & Book Debts and Cash Margin for LC and BG.

6.3. Collateral Security: EQM of Factory Land & Building and Hypothecation of Plant & Machinery

6.4. Guarantors: Both Directors of Shri.A.Balasubramaniam & Smt.B.Jeyamani



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

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As At</u> <u>31.03.2021</u> <u>Rs.</u>	<u>As At</u> <u>31.03.2020</u> <u>Rs.</u>
7) Trade Payables:		
i) Sundry Creditor for Trade	29431995	29881677
ii) Sundry Creditors for Others	3813239	5192877
	33245234	35074554
Additional Information:		
(i) The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006(MSMED Act), cannot be ascertained since the Status of the Suppliers of Raw Materials, Stores, Spares & Services is not available or provided by the Suppliers; and hence the amount payable to them for the year is NIL.		
8. Other current liabilities:		
a) Current maturities of long term debt	0	0
b) Current maturities of finance lease obligations	0	0
c) Interest accrued but not due on borrowings	39116	0
d) Interest accrued and due on borrowings	0	0
e) Advance Received from Customers	0	0
f) Unpaid dividends		
g) Other payables		
1) Statutory Liabilities	12195	643317
2) Provision for Expenses	1580847	1455448
3) Others	0	0
	1632158	2098765
9. Short term provisions:		
a) Provision for employee benefits	—	—
b) Others - Provision for Income Tax	1116638	1539943
	1116638	1539943



M/S. NACHIAR HEALTHCARE FABRICS (P) LTD., - CHATRAPATTI
ACCOUNTING YEAR ENDED 31st MARCH 2021

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

SL	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As on 01.04.2020	Additions	Deletions	As on 31.03.2021	Up to 01.04.2020	For the period	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
A)	Tangible Assets									
1	Land	4795430	0	0	4795430	-	-	-	4795430	4795430
2	Building	20737883	0	0	20737883	9913731	415016	10328747	10409136	10824136
3	Plant & Machinery	69283704	0	0	69283704	51589656	2302275	53891931	15391773	17694000
4	Electrical Fittings	5575110	0	0	5575110	5208226	19634	5227860	347250	3668510
5	Furniture & Fixtures	603448	0	0	603448	565150	1786	566936	36512	382000
6	Vehicles	2378876	0	0	2378876	1498770	227233	1726003	652873	880000
7	Library Books	15200	0	0	15200	14440	0	14440	760	2000
		103389651	0	0	103389651	68789973	2965944	71755917	31633734	34599673
B)	Capital Work In Progress					NIL				
C)	Intangible Assets					NIL				
	TOTAL	103389651	0	0	103389651	68789973	2965944	71755917	31633734	34599673

Additional Information:

- i) The following assets were revalued in the year NIL.
- ii) Borrowing costs capitalized up to March 31, 2021 Rs. NIL.



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

NOTES TO FINANCIAL STATEMENTS

11. Non Current Investments:

<u>Particulars</u>	<u>AS AT</u> <u>31.03.2021</u> <u>Rs.</u>	<u>AS AT</u> <u>31.03.2020</u> <u>Rs.</u>
a) Investment Property	NIL	NIL
b) Investment in Equity Instruments	NIL	NIL
Total	0	0

12. Long term loans and advances:

<u>Particulars</u>	<u>AS AT</u> <u>31.03.2021</u> <u>Rs.</u>	<u>AS AT</u> <u>31.03.2020</u> <u>Rs.</u>
i) Capital advances		
ii) Security Deposits - TNEB - Other Govt. Deposits	1882132 14000	1505747 14000
iii) Loans and advances to related parties		
iv) Other loans & advances (specify nature)		
Total	1896132	1519747

Additional Information:

1) Breakup of above:		
i) Secured, considered good	1896132	1519747

13. Other Non Current Assets:

i) Long term trade receivables	NIL	NIL
ii) Others	NIL	NIL
	0	0

14. Current Investments:

<u>Details of Investments</u>	<u>As at end of</u> <u>current reporting</u> <u>period</u> <u>31.03.2021</u> <u>Rs.</u>	<u>As at end of</u> <u>current reporting</u> <u>period</u> <u>31.03.2020</u> <u>Rs.</u>
a) Investment in Equity Instruments	NIL	NIL
b) Investment in Preference Shares	NIL	NIL
Total	0	0



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

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	AS AT 31.03.2021 Rs.	AS AT 31.03.2020 Rs.
15. INVENTORIES:		
i) Raw Materials - Yarn	272400	118500
- Grey Cloth	78667825	64961431
ii) Work in progress	18244190	19600687
iii) Finished Goods - Bleached Cotton Grey Fabrics	20904150	19487389
iv) Stores and Spares	1180642	1226884
v) Goods in transit	NIL	NIL
	119269207	105394891
16. Trade receivables:		
i) Trade Receivables exceeding six months	NIL	NIL
ii) Others	50086178	51425030
	50086178	51425030
<u>Less: Provision for doubtful debts</u>	NIL	NIL
	50086178	51425030
Additional information:		
1) Breakup of above:		
i) Secured, considered good	50086178	51425030
ii) Unsecured, considered good	NIL	NIL
iii) Doubtful	NIL	NIL
Total	50086178	51425030
<u>Less: Provision for doubtful Debts</u>	NIL	NIL
	50086178	51425030
2) Out of the above:		
a) Debts due by directors or other officers of the company	NIL	NIL
b) Debts due by firm or private company in which any director is a partner or a director	NIL	NIL
17. Cash and cash equivalents:		
i) Balances with banks - In Current Accounts	153359	771963
ii) Cheques,drafts on hand	NIL	NIL
iii) Cash on hand	11844	20263
iv) Others (Specify nature)	NIL	NIL
	165203	792226



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

NOTES TO FINANCIAL STATEMENTS

<u>Particulars</u>	<u>As at 31.03.2021</u> Rs.	<u>As at</u> <u>31.03.2020</u> Rs.
18. Short term loans and advances:		
i) Advance paid to Suppliers/Others	61625	74003
ii) Advance Income Tax & TDS & TCS	558839	359215
iii) Duty Drawback Receivable	1524824	993285
iv) GST Receivable	1417994	2555538
iii) Others	499774	378723
Sub-Total	4063056	4360764
<u>Less: Provision for Doubtful Advances</u>	NIL	NIL
	4063056	4360764
Additional information:		
1) <u>Breakup of above:</u>		
i) Secured, considered good	4063056	4360764
ii) Unsecured, considered good	0	0
iii) Doubtful	0	0
Total	4063056	4360764
<u>Less: Provision for doubtful advances</u>	0	0
	4063056	4360764
2) a) Debts due by directors or other officers of the company	NIL	NIL
b) Debts due by firm or private company in which any director is a partner or a director	NIL	NIL
19. Other Current Assets	NIL	NIL
20. Contingent liabilities and Commitments:		
(to the extent not provided for)		
a) Contingent Liabilities:	NIL	NIL
b) Commitments	NIL	NIL
	NIL	NIL

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

Particulars	31.03.2021	31.03.2020
21. REVENUE FROM OPERATIONS:		
i) Sale of Goods - Manufactured Goods:		
a) <u>Export Sales:</u>		
- Cloth	137676929	113040701
b) <u>Domestic Sales:</u>		
- Cloth	54012600	11388353
ii) Other Operating Revenues:		
1. Duty Drawback Receipts	2740076	1778046
2. MEIS License Sales	959274	3728719
3. Exchange Rate Fluctuation	6326685	0
4. Weaving & Bleached Conversion Charges Receipts	9389845	5692725
Total	211105409	135628544
ii) Sale of services	NIL	NIL
	NIL	NIL
TOTAL (i+ii)	211105409	135628544
22. OTHER INCOME:		
i) Interest Income	72045	85799
ii) Other Non Operating Income	0	0
Total	72045	85799
23. COST OF MATERIALS CONSUMED:		
Opening Stock		
- Yarn	118500	142800
- Grey Fabrics	64961431	50324012
	65079931	50466812
<u>Add : Purchases :</u>		
- Yarn	95735798	38660610
- Grey Fabrics	71736474	65649639
	167472272	104310249
<u>Less : Closing Stock</u>		
- Yarn	272400	118500
- Grey Fabrics	78667825	64961431
	78940225	65079931
Total	153611978	89697130



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

NOTES TO FINANCIAL STATEMENTS

Particulars	31.03.2021	31.03.2020
24. CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS:		
Stocks at the beginning of the Year:		
1. Work-in-Progress	19600687	18692532
2. Finished Goods - Bleached Grey Fabrics	19487389	12277758
	39088076	30970290
<u>Less: Stocks at the end of the year:</u>		
1. Work-in-Progress	18244190	19600687
2. Finished Goods - Bleached Grey Fabrics	20904150	19487389
	39148340	39088076
NET INCREASE /DECREASE	-60264	-8117786
25. EMPLOYEE BENEFIT EXPENSES:		
i) Salaries, Wages & Bonus	6836392	6022847
ii) Remuneration to Whole Time Directors	984000	360000
iii) Labour & Staff welfare expenses :		
(1) Labour Welfare Expenses	113874	
(2) Travelling Allowance	1221470	
(3) House Rent Allowance	1747059	
	3082403	2667666
Total	10902795	9050513
26. FINANCE COSTS:		
i) Interest on Bank Borrowings	3911301	3578404
ii) Bank Charges	374876	561236
Total	4286177	4139640
27. DEPRECIATION AND AMORTISATION EXPENSES:		
i) Depreciation	2965944	3803411
ii) Amortization of intangible assets	0	0
iii) Others	0	0
Total	2965944	3803411

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

Particulars	31.03.2021	31.03.2020
28. OTHER EXPENSES:		
a) Manufacturing Expenses:		
i) Power and fuel	20169188	17026760
ii) Packing Expenditures	666494	887408
iii) Stores, Spares & Chemical Consumed	6067035	5674089
iv) Repairs to Machinery, Electricals etc.,	575389	1105935
v) Lorry Freight	449515	290281
b) Administrative Expenses:		
i) Licences and Taxes	227945	331082
ii) GST payments	0	804332
iii) Repairs to Others	545261	378219
iv) Water Supply Expenses	919531	1149500
v) ESI, EPF & EPS	698695	772357
vi) Printing and Stationery	48593	48281
vii) Postage, Telephones and Telegram	8223	95659
viii) Travelling Expenses	108322	101555
ix) Professional Charges	260280	48306
x) Payment to the Auditors (Refer Details Below)	100000	75000
xi) Foreign Exchange Fluctuations	0	1422219
xii) Insurance Payments	100179	204653
xiii) Pooja Expenses	5059	4718
xiv) Sundry Expenses	6887	3179
c) Selling Expenses:		
Shipping Charges and Expenses	5214648	2356453
Foreign Agent Commission and Expenses	0	422685
Total	36171244	33202671
Payment to Auditors - Break up:		
i) As Statutory Auditors	60000	50000
ii) For Taxation Matters	40000	25000
Total	100000	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	
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	Amount	% to total	Amount	% to total
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	16.03 Crores	100%	9.63 Crores	100%
	16.03 Crores	100%	9.63 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		137676929		113040701
ii) Royalty, Knowhow,professional and consultancy fees				
iii) Interest and dividends				
iv) Other income-indicate nature	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
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)	2182942	2398821
	2182942	2398821.42
<u>Less:</u>		
Preference dividend payable including dividend tax	0	
	2182942	2398821.42
Weighted average number of equity shares	225000	225000
<i>Earning per share</i>	9.70	10.66



32. Accounting Policies:

a) Method of Accounting and Revenue Recognition:

The Company is maintaining books and records on accrual basis of accounting on the basis of going concern only as prescribed by the Institute of Chartered Accountants of India and in accordance with guidelines issued by Department of Company Affairs, Ministry of Industry & Finance.

b) Valuation of Inventories:

Inventories are as certified by the Managing Director and are valued as under:

- i) Raw Materials, Process Stocks & Stores : At Cost or net realizable market value
- ii) Finished Goods : At Cost or net realizable market value
- iii) Stock in Process : At Cost

In line with the Accounting Standard (AS-2) issued by the Institute of Chartered Accountants of India.

c) Depreciation:

Depreciation has been provided for Tangible Assets on Written down Value Method as per Useful life prescribed in Schedule II of the Companies Act 2013.

d) Fixed Assets:

Fixed Assets are accounted on acquisition cost basis less accumulated depreciation.

e) Foreign Currency Transactions:

- i) Sales value of Foreign Currency are converted & transacted at the exchange rate prevailing on the date of the transactions and the amounts due have been accounted at the rate at which the export bills were tendered to the Bank for discounting and/or for collection.
- ii) Expenditures in Foreign Currency are converted & transacted at the exchange rate prevailing on the date of payment of the transactions.



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

f) Sales:

Sale of goods viz; Cotton Fabrics of Grey and Bleached (Domestic and Export) is considered on dispatch to customers. Sales value excludes amounts recovered towards GST, Freight, etc.

g) Contingent Liabilities:

Contingent liabilities are generally not provided for in the Accounts and if any, it will be shown separately in Notes on Accounts.

h) Benefits for Employees:

- i) The Company regularly deposits the Provident Fund Contribution under the Provident Fund Scheme run by the Government.
- ii) The employees are covered by a policy taken with Life Insurance Corporation of India under Employees Deposit Linked Insurance Scheme and the premium is regularly paid.

i) Contingent Liabilities not provided for:

Liability on Inland Letter of Credit Opened:

- i) On Raw Materials : NIL
- ii) On Capital Goods : NIL

j) Secured Loans:

Working Capital facilities from Bank of India, Rajapalayam are secured by Hypothecation of Raw Materials, Stock-in-trade, Finished goods and Book Debts and also on Fixed Assets of the Company.

k) General:

Accounting Policies not specifically referred to are consistent with generally acceptable accounting practices.

- l) The Company operates only in one business segment viz., Manufacturing of Cotton Yarn. Hence no separate disclosure is required under AS-17.



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

m) The Accounting for Deferred Tax in pursuant of AS-22 issued by the Institute of Chartered Accountants of India has not been made in the current year.

2) Current Liabilities and Provisions:

- a) Amount exceeding Rs. 1 Lac for more than thirty days due to SSI Industrial undertakings : Rs. NIL
- b) Total outstanding dues to SSI Industrial undertakings: Rs. NIL.

3) Estimated amount of contracts remaining to be executed on Capital Account not provided for Rs. NIL.



NOTES TO FINANCIAL STATEMENTS

33. RELATED PARTY TRASACTIONS:

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 Private Limited	KMP Interested Concern
2.	M/s. Nachiar Spinning Mills Private Limited	KMP Interested Concern
3.	M/s. Naatchiar Textile Exporters	KMP Interested Concern
4.	M/s. S.A.Anandan Spinning Mills Private Limited	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; Managing Director and Director are Directors of the Company.	
	Nature of Transaction	Value in Rs.	
		2020-2021	2019-2020
	Transaction arising for Normal Course of Business	8,11,833	37,28,834
	Closing Balance (Debit Balance) / (Credit Balance)	2,98,630	3,981
2	Name of the Related Party	Relationship	
	M/s. Nachiar Spinning Mills Private Limited	KMP Interested Concern; Managing Director and Director are Directors of the Company.	
	Nature of Transaction	Value in Rs.	
		2020-2021	2019-2020
	Normal Transactions for Funds Transfer	12,60,003	18,70,640
	Closing Balance (Credit Balance) / Debit Balance)	0	2,00,000
3	Name of the Related Party	Relationship	
	M/s. Naatchiar Textile Exporters	KMP Interested Concern; Managing Partner and Partner are Directors of the Company.	
	Nature of Transaction	Value in Rs.	
		2020-2021	2019-2020
	Purchase of Cotton Grey Fabric(Credit Balance)	7,53,44,448	22,19,480
	Purchase of Cotton Yarn (Credit Balance)	4,87,15,787	19,21,27964
	Closing Balance (Debit Balance)	2,96,01,995	85,26,288



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

4	Name of the Related Party	Relationship	
	M/s. S.A.Anandan Spinning Mills (P) Ltd.,	KMP Interested Concern; Director of S.A.Anandan Spinning Mills (P) Ltd., and Daughter of Directors of the Company	
		Value in Rs.	
		2020-2021	2019-2020
	Purchase of Cotton Yarn (Credit Balance)	5,09,96,397	99,255
	Sale of Cotton Yarn, (Debit Balance)	5,10,95,652	0
	Closing Balance (Credit Balance)	0	99,255

34. Confirmation of balances from certain parties due to and due from the company has not been received by the Company

35. Paise have been rounded off to the nearest rupee.

36. Previous year's figures have been re-grouped wherever necessary to conform to the classification of this year.

37. GST Return Filed Up-to date for the Year ended 31st March 2021 and the Company's Income-tax Return were regularly filed and there is no disputed demand in respect of the completed assessment.

38. CONTINGENT LIABILITIES & COMMITMENTS:-

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
a) Contingent Liabilities	NIL	NIL
b) EPCG Guarantee	NIL	NIL
Total	NIL	NIL
