

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EBELL FASHIONS PVT. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **EBELL FASHIONS PVT. LTD.** ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

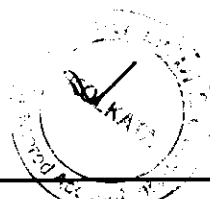
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - 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 Accounting Standards specified under section 133 of the Act, as applicable.
 - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.



- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts.
and
- iii. There are no amounts outstanding which are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures regarding details of specified bank notes held and transacted during 8th November,2016 to 30th December,2016 has not been made since the requirement does not pertain to financial year ended 31.03.2018.

For Sanjay Modi & Co
Chartered Accountants
FRN.-322295E

Prodyat Chaudhuri

CA Prodyat Chaudhuri
(Partner)
Membership No: 065401

Place: Kolkata

Dated: 31st May, 2018.

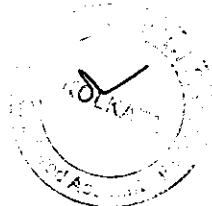


"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT"

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements section of our report of even date):

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013('the Act') of EBELL FASHIONS PVT. LTD. ('the Company').

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed Assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of its business.
- (c) According to the information and explanation given to us and the records examined by us and based on the examination of conveyance deed provided to us, we report that, the title deeds, comprising building, are in the name of the Company at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the management (except material lying with third parties and goods in transit) at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Hence, the question of reporting whether the terms and conditions of such loans are prejudicial to the interests of the Company, whether reasonable steps for recovery of over dues of such loans are taken does not arise.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of granting of loans, providing guarantee and securities as applicable.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits from the public during the year.
- (vi) According to the information and explanation given to us, no maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, Employees State insurance, income tax, sales tax, service tax, customs duty,



value added tax, cess and other material statutory dues applicable to it with the appropriate authorities though there has been slight delay in deposit of these statutory dues in some cases.

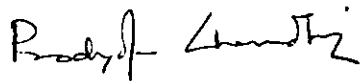
According to the information and explanation given to us, there were no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty, value added tax, provident fund, Employees state insurance, cess and any other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they become payable.

- (b) According to the information and explanation given to us, there are no amount of income tax or sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) According to the information and explanation given to us, the company has not raised moneys by way of initial public offer or further public offer and the term loans have been applied by the Company during the year for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the company by its officers, or employees has been noticed or reported during the year.
- (xi) The company is a private limited company and accordingly the provisions of section 197 read with schedule V to the Companies Act, 2103 is not applicable. Hence clause (xi) of the order is not applicable.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us , the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review .Hence reporting under clause (xiv) of the order is not applicable to the Company.



- (xv) According to the information and explanation given to us and based on our examination of the records of the company , during the year the company has not entered into any non-cash transactions with directors or persons connected to its directors. Accordingly, clause 3(xv) of the order is not applicable.
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Sanjay Modi & Co
Chartered Accountants
FRN.-322295E



Prodyat Chaudhuri
(Partner)
Membership No: 065401

Place: Kolkata

Dated: 31st May, 2018



"ANNEXURE B "TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EBELL FASHIONS PVT. LTD.

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

We have audited the internal financial controls over financial reporting of **EBELL FASHIONS PVT. LTD.** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

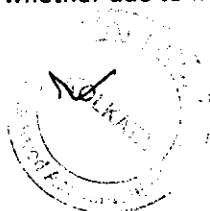
Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibilities

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control 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 risk of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company ;and(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use , or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

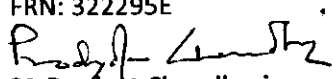
Opinion

In our opinion, to the best of our information and according to the explanation 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 March 31, 2018, based on " the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For SANJAY MODI & CO

Chartered Accountants

FRN: 322295E


CA Prodyat Chaudhuri

(partner)

Membership No: 065401



Place: Kolkata

Dated: 31st May, 2018

EBELL FASHIONS PVT LTD
 (Formerly known as Ebel Polymers Pvt. Ltd)
 Balance Sheet As At March 31, 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,350,000.00	2,350,000.00
Reserves and Surplus	3	515,414,365.12	304,896,046.03
		517,764,365.12	307,246,046.03
Non-Current Liabilities			
Long-Term Borrowings	4	14,112,248.00	12,540,516.00
Deferred Tax Liability (Net)	5	3,341,172.99	3,478,505.35
Long-Term Provisions	6	3,632,661.00	1,261,423.00
		21,086,081.99	17,280,444.35
Current Liabilities			
Short-Term Borrowings	7	132,733,425.52	164,346,531.49
Trade Payables	8	334,354,859.61	310,635,229.53
Other Current Liabilities	9	56,028,836.60	93,047,671.46
Short-Term Provisions	10	178,199.00	38,079.00
		523,295,320.73	568,067,511.48
TOTAL		1,062,145,767.84	892,594,001.86
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	46,722,233.38	35,960,589.11
Intangible Assets	11	76,240.09	10,662.87
Long-Term Loans and Advances	12	1,167,073.00	910,973.00
Other Non-Current Assets	13	7,096,360.00	2,043,040.00
		55,061,906.47	38,925,264.98
Current Assets			
Inventories	14	381,948,215.52	308,103,740.62
Trade Receivables	15	552,004,657.56	382,762,495.56
Cash and Bank Balance	16	30,059,722.53	50,586,151.57
Short-Term Loans and Advances	17	43,071,265.76	112,216,349.13
		1,007,083,861.37	853,668,736.88
TOTAL		1,062,145,767.84	892,594,001.86
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements
 In terms of our report of even date

FOR SANJAY MODI & CO.

Chartered Accountants
 Firm Reg no.322295E

Prodyat Chaudhuri

CA Prodyat Chaudhuri
 Partner

Membership no.065401

Place : Kolkata

Date: 31.05.2018

For and on behalf of the Board

Saket Todi

Saket Todi
 Director
 (DIN - 02821380)

Udit Todi

Udit Todi
 Director
 (DIN - 02017579)



EBELL FASHIONS PVT LTD
 (Formerly known as Ebel Polymers Pvt. Ltd)
 Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations (Gross)	18	1,978,652,656.95	1,647,816,951.29
Other Income	19	1,841,101.62	387,370.00
TOTAL		1,980,493,758.57	1,648,204,321.29
EXPENSES			
Cost of Materials Consumed	20	740,337,448.61	651,995,702.55
Purchase of Stock in Trade	21	7,090,676.28	116,536,680.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	(36,096,705.43)	(27,802,619.88)
Employee Benefits Expense	23	48,236,582.00	17,680,698.00
Finance Costs	24	15,463,735.87	13,208,772.50
Depreciation & Amortisation Expense	25	3,614,286.95	3,304,221.43
Other Expenses	26	870,069,697.56	619,565,548.71
TOTAL		1,648,715,721.84	1,394,489,003.31
PROFIT BEFORE TAX		331,778,036.73	253,715,317.98
Tax Expense:			
Less: Current Tax		116,000,000.00	88,000,000.00
Less: Deferred Tax		(137,332.36)	56,963.28
Less: Income Tax For the Earlier Year		5,397,050.00	-
PROFIT FOR THE YEAR		210,518,319.09	165,658,354.70
Earnings per share (Nominal value Rs.10/- each (P.Y. Rs.10/-):	27	895.82	704.93
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements
 In terms of our report of even date

FOR SANJAY MODI & CO.
 Chartered Accountants
 Firm Reg no.322295E

Prodyat Chaudhuri

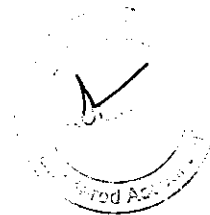
CA Prodyat Chaudhuri
 Partner
 Membership no.065401
 Place : Kolkata
 Date: 31.05.2018

For and on behalf of the Board

Saket Todi *Udit Todi*

Saket Todi
 Director
 (DIN - 02821380)

Udit Todi
 Director
 (DIN - 02017579)



EBELL FASHIONS PVT LTD

(Formerly known as Ebel Polymers Pvt. Ltd)

Cash Flow Statement for the year ended March 31, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A. Cash Flow from Operating Activities		
a) Profit before Tax	331,778,036.73	253,715,317.98
Adjustment for :		
Depreciation	3,614,286.95	3,304,221.43
Interest income from fixed deposit	(226,873.00)	(152,536.00)
Interest Payment	14,576,098.00	11,767,469.00
Provision for Gratuity	2,511,358.00	675,526.00
Profit on disposal of assets	(2,554.62)	-
b) Operating profit before working capital changes	352,250,352.06	269,309,998.41
Adjustment for :		
Trade and other receivables (Increase)/ Decrease	(169,242,162.00)	(103,924,468.96)
Trade Payable Increase/ (Decrease)	23,719,630.08	97,613,028.38
Inventories (Increase)/ Decrease	(73,844,474.90)	(42,604,335.35)
Short Term Loan Advances & Other Current Assets (Increase)/Decrease	69,145,083.37	(103,854,091.13)
Long Term Loan Advances & Other Current Assets (Increase)/Decrease	(256,100.00)	(435,000.00)
Decrease/ (Increase) in Term deposit	(5,053,320.00)	(135,732.00)
Current Liabilities (Increase)/ Decrease	(1,849,022.86)	5,055,384.56
c) Cash generated from Operations	194,869,985.75	121,024,783.92
Tax Paid (Net)	(156,566,862.00)	(73,311,860.02)
Net Cash from Operating Activities	38,303,123.75	47,712,923.90
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(14,456,153.82)	2,069,605.00
Sale proceeds from sale of fixed assets	17,200.00	-
Interest Income	226,873.00	152,536.00
Net Cash from / (used in) investing activities	(14,212,080.82)	2,222,141.00
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) from Long term borrowing	1,571,732.00	(26,499,250.00)
Proceeds / (Repayment) from Short term borrowing	(31,613,105.97)	(4,198,226.53)
Interest paid	(14,576,098.00)	(11,767,469.00)
Net Cash from / (used in) financing activities	(44,617,471.97)	(42,464,945.53)
D. Net increase/(Decrease) in Cash and Cash equivalent	(20,526,429.04)	7,470,119.37
Cash and Cash equivalent at beginning of the year	50,586,151.57	43,116,032.20
Cash and Cash equivalent at end of the year	30,059,722.53	50,586,151.57
Notes to Cash Flow Statement :		
1. This Statement is prepared under indirect method as prescribed by AS-3.		
2. Cash and cash equivalents comprise of:		
Cash -in- Hand	3,495,216.81	5,441,484.81
Balance with bank on current account	26,564,505.72	45,144,666.76
	30,059,722.53	50,586,151.57

3. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm with current years presentation.

As per our report of even date attached

FOR SANJAY MODI & CO.

Chartered Accountants

Firm Reg no.322295E

Prodyat Chaudhuri

CA Prodyat Chaudhuri

Partner

Membership no.065401

Place : Kolkata

Date: 31.05.2018

For and on behalf of the Board

Saket Todi *Udit Todi*

Saket Todi

Director

(DIN - 02821380)

Udit Todi

Director

(DIN - 02017579)



Notes to Financial Statements for the year ended 31st March, 2018

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Nature of Operation

Ebell Fashions Pvt Ltd (Formerly Known as Ebel Polymers Pvt Ltd) is engaged in the business of manufacturing & sale of knitwear's. The Manufacturing units of the company are located in Kolkata, Dankuni and Ghaziabad.

b) Basis of Preparation of Accounts

The financial statements have been prepared to comply with the generally accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP Comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014. The accountings policies have been consistently applied by the company with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard/ Law requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian rupees.

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

c) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make judgments, estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and useful life of intangible assets. Although these estimates are based on the management's best knowledge, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

d) 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) **Sale of Goods:** Sales are recognized when goods are supplied and are net of Sales Return.

b) **Interest:** Interests on Investments are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

c) **Export Benefits:** Export Entitlements in the form of Duty Drawback are recognized in the Profit and Loss account when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Exports benefits under Focus Licence Scheme are recognized in the year of export itself provided there is no uncertainty as to the amount of duty entitlement. Such export benefits are booked separately as revenue by creating a claim against it on the assets side.

Exports benefits in the form of Rebate of State Levies on Export of Garments (ROSL) are recognised in the year of export itself and the amount of rebate is calculated using FOB value and the rates and caps of rebate specified in ROSL scheme.

e) Accounting of Claims

(a) Claims receivable are accounted for at the time when reasonable certainty of receipt is established. Claims payable are accounted for at the time of acceptance.

(b) Claim raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on merits of each claim.

f) Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.



g) Government Grant:

The company receives sales tax incentive under the WBIP (A.I. Units) Scheme' 1994 and the same is recognized as revenue in the period in which these are accrued and shown as income under the head "Other Operating revenue". The Company has not received any non-monetary assets at concessional rate or free of cost as Government Grant.

In respect of capital subsidy on special machinery from government (under TUF-Scheme) the grant is shown as deduction from the value of assets, when subsidy is received from the government.

h) Fixed Assets

(a) **Tangible Assets:** Tangible Assets are stated at their original cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of modvat) and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to the acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of Tangible Assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(b) **Intangible Assets & amortization:** Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly. The Intangible assets include Computer Software. Amortization of Intangible Assets is made based on management's evaluation of duration of life cycle of intangible assets. The amortization rate used are :

Asset	%
Computer Software:	40.00

(c) **Depreciation:** Depreciation on Fixed Assets is provided on Straight Line method (SLM) over the useful lives of assets in the manner specified in Part C of schedule II to the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

i) Valuation of Inventories

Raw materials including packing materials are carried at the lower of cost and net realizable value. Cost is determined on weighted average cost method. Work in progress is carried at the lower of cost and net realizable value. Finished goods produced or purchased by the company are carried at lower of cost and net realizable value. Cost of finished goods and process stock includes cost of conversion and other cost incurred in bringing the inventories to their present locations and conditions. The company has valued inventory net of modvat benefits. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j) Retirement benefits to employees

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. Liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Balance sheet date using the projected unit credit method. The company recognizes the net obligation of the gratuity as per actuarial valuation report in the Balance sheet in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the statement of Profit and Loss in the period in which they arise.

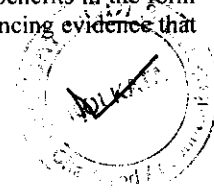
Provident Fund:

Eligible employees receive benefits from a provident fund, which is a defined plan. Both the eligible employee and the company make monthly contribution to the provident fund plan equal to a specified percentage of the covered employee's salary. The company also contribute a specific amount out of total contribution payable to the government administered pension fund.

k) Taxes on Income

Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably.



Deferred taxes is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

Deferred tax Assets & Liabilities are measured using the Tax Rates & Tax Laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

Advance Taxes and Provisions for current taxes are presented in the Balance sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the company is able to and intends to settle the assets and liability on a net basis.

l) Provision, Contingent Liabilities And Contingent Assets

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

m) Foreign Currency Transaction

Foreign currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transactions.

n) Earnings per Share (Basic & Diluted)

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Impairment of assets:

Impairment loss is recognized wherever the carrying amount of an assets is in excess of its recoverable amount and the same is recognized as an expenses in the statement of Profit & Loss and carrying amount of the assets is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior year is recovered when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

p) Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, Financing and investing activities of the Company are segregated. Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and unpaid deposit account.



Notes forming part of the Financial Statements

2 SHARE CAPITAL

a) Authorized, issued, Subscribed and Paid up Share Capital.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Authorized				
Equity Shares of Rs. 10/- each	250,000.00	2,500,000.00	250,000.00	2,500,000.00
Issued and Subscribed & Paid up				
Equity Shares of Rs. 10/- each	235,000.00	2,350,000.00	235,000.00	2,350,000.00
TOTAL	235,000.00	2,350,000.00	235,000.00	2,350,000.00

b) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2018		As at March 31, 2017	
	Numbers	Amount (Rs.)	Numbers	Amount (Rs.)
Equity Shares at the beginning of the year	235,000.00	2,350,000.00	235,000.00	2,350,000.00
Issued during the year	-	-	-	-
Equity Shares at the closing of the year	235,000.00	2,350,000.00	235,000.00	2,350,000.00

The Company has only one class of equity shares with a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share held. The Company has not declared any dividends for the year. In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company after meeting all liabilities and distribution of all preferential amounts in proportion of their shareholding.

c) Shareholders holding more than 5% shares of the company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Numbers	%age	Numbers	%age
Bimla Devi Todi	17,500	7.45	17,500	7.45
Shobha Devi Todi	17,500	7.45	17,500	7.45
Hollyfield Traders Pvt Ltd	100,000	42.55	100,000	42.55
Aradhana Barter Pvt. Ltd.	50,000	21.28	50,000	21.28
Dhanlaxmi Supply Pvt. Ltd.	50,000	21.28	50,000	21.28

Particulars

3 RESERVES AND SURPLUS

i) Securities Premium Account

	As at 31-Mar-18	As at 31-Mar-17
Balance at the beginning of the year	18,900,000.00	18,900,000.00
Add: During the year	-	-
Balance at the end of the year	18,900,000.00	18,900,000.00

ii) Surplus in Statement of Profit and Loss

	As at 31-Mar-18	As at 31-Mar-17
Balance at the beginning of the year	285,996,046.03	120,337,691.33
Add: Profit for the year	210,518,319.09	165,658,354.70
Surplus carried to Balance Sheet	496,514,365.12	285,996,046.03
Total	515,414,365.12	304,896,046.03

4 LONG TERM BORROWINGS

i) SECURED LOANS

From Banks

Term Loan from Bank

	As at 31-Mar-18	As at 31-Mar-17
Term Loan from Bank	14,112,248.00	12,155,905.00
	14,112,248.00	12,155,905.00

ii) UNSECURED LOANS

- a) From Directors & Relatives
b) From Other

	As at 31-Mar-18	As at 31-Mar-17
a) From Directors & Relatives	-	380,000.00
b) From Other	-	4,611.00
	-	384,611.00
Total	14,112,248.00	12,540,516.00



a) Repayment terms and nature of securities given for term loan as follows :

Bank	31-Mar-18	31-Mar-17	Nature of Security	Repayment Terms
Allahabad Bank	15,957,745.00	19,155,905.00	Charge over Fixed Assets of the company including proposed machinery purchased with this term loan. It is additionally secured by personal guarantee of the director.	Repayable by six year door to door with six months moratorium and by equal quarterly instalments of Rs. Rs. 17.50 lacs commencing from December 2016 quarter. Interest @ MCLR is serviced on monthly basis, as and when due.
Allahabad Bank	3,099,363.00	-	Charge over Fixed Assets of the company including proposed machinery purchased with this term loan. It is additionally secured by personal guarantee of the director.	Repayable in 20 equal quarterly instalment of Rs.5.15 lacs each commencing from June, 2018. Interest @ MCLR is serviced on monthly basis as and when due.
Allahabad Bank	4,655,140.00	-	Exclusive hypothecation charge on entire fixed assets of the Company including building, furnitures, fixtures & electrical installations. It is additionally secured by personal guarantee of the director.	Repayable in 20 equal quarterly instalment of Rs.2.70 lacs each commencing from December, 2018. Interest @ MCLR is serviced on monthly basis as and when due.

5 DEFERRED TAX LIABILITIES (NET)

Deferred tax asset

Provision for Employees Benefit

(1,318,862.43) (449,731.65)

Deferred tax liability

Difference between book value of depreciable assets as per books of account and written down value for tax purpose

4,660,035.42 3,928,237.00

Total

3,341,172.99 3,478,505.35

6 LONG TERM PROVISIONS

Provision for Employee benefits

3,632,661.00 1,261,423.00

Total

3,632,661.00 1,261,423.00

7 SHORT TERM BORROWINGS

SECURED

Loan from Banks

Cash Credit facilities

132,733,425.52 157,016,645.49

Packing Credit facility

- 7,329,886.00

Total

132,733,425.52 164,346,531.49

a) Cash Credit loan is secured against hypothecation of entire stocks, book debts and other current assets of the company by way of collateral security over the entire movable and immovable properties of the company both present and future. The Cash Credit loan are repayable on demand. It is additionally secured by personal guarantee of the directors.



8 TRADE PAYABLES

Due to Micro & Small & Medium Enterprises

Others

Total

334,354,859.61	310,635,229.53
334,354,859.61	310,635,229.53

9 OTHER CURRENT LIABILITIES

Current maturity of long term debt

Statutory dues

Provision for Income Tax (Net of Advance Tax & TDS)

Advance from customers

Deposits from Dealers, Agent, etc.

Other Payables

Total

9,600,000.00	7,000,000.00
4,670,662.66	5,370,113.78
12,039,608.00	47,209,420.00
3,701,325.41	2,874,988.68
22,478,001.00	19,494,724.00
3,539,239.53	11,098,425.00
56,028,836.60	93,047,671.46

9.1 Other Payables includes Salary, Electricity charges, Insurance charges, etc.

10 SHORT TERM PROVISIONS

Provision for Employee benefits

Total

178,199.00	38,079.00
178,199.00	38,079.00



EBELL FASHIONS PVT LTD
(Formerly known as Ebel Polymers Pvt. Ltd)

Note II

FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	As at	Addition for	Deduction /	As at	Addition for	Deduction/	As at	As at
	01.04.2017	the year	for the year	31.03.2018	the year	for the year	31.03.2018	31.03.2017
Tangible Assets								
Building	2,594,132.00	72,111.86	-	2,666,243.86	41,317.66	-	517,275.66	2,118,174.00
Plant & Equipments	33,812,931.00	12,492,311.95	-	46,305,242.95	2,558,065.68	-	7,254,339.81	29,116,656.87
Computer	457,952.00	256,235.59	-	714,187.59	140,091.71	-	347,769.97	250,273.74
Electrical Installation	58,859.00	315,480.50	-	374,339.50	9,274.58	-	49,831.49	18,302.09
Furniture & Fixture	2,139,249.00	780,864.80	-	2,920,113.80	226,261.79	-	328,956.79	2,037,454.00
Motor Car	4,093,709.00	-	-	4,093,709.00	485,831.90	-	2,589,252.94	1,990,287.96
Office Equipment	513,545.00	464,149.12	18,400.00	959,294.12	144,020.85	3,754.62	224,370.78	429,440.45
Sub Total (A)	43,670,377.00	14,381,153.82	18,400.00	58,033,130.82	3,604,864.17	3,754.62	11,310,897.44	35,960,589.11
Intangible Assets								
Computer software	34,200.00	75,000.00	-	109,200.00	9,422.78	-	32,959.91	10,662.87
Sub Total (B)	34,200.00	75,000.00	-	109,200.00	9,422.78	-	32,959.91	10,662.87
Total (A+B)	43,704,577.00	14,456,153.82	18,400.00	58,142,330.82	3,614,286.95	3,754.62	11,343,857.35	35,971,251.98
PREVIOUS YEAR	45,774,182.00	2,861,958.00	4,931,563.00	43,704,577.00	3,304,221.43	-	7,733,325.02	35,971,251.98



12 LONG TERM LOANS & ADVANCES

Unsecured Considered Good

Security Deposits

Total

1,167,073.00	910,973.00
1,167,073.00	910,973.00

13 OTHER NON - CURRENT ASSETS

Bank deposit with more than 12 months maturity

Interest accrued on deposits.

Margin Money Deposit

Total

6,812,638.00	1,325,237.00
278,567.00	712,648.00
5,155.00	5,155.00
7,096,360.00	2,043,040.00

14 INVENTORIES

(at lower of Cost and net realizable value)

Raw Materials

Finished goods (Manufactured)

Work in Progress

Stock-in-Trade (Goods purchased for resale)

Packing Materials

Total

39,635,090.14	24,846,524.20
152,475,488.83	110,643,745.82
135,350,207.32	137,243,658.28
6,251,236.43	10,092,823.05
48,236,192.80	25,276,989.27
381,948,215.52	308,103,740.62

15 TRADE RECEIVABLES

i) Outstanding for a period exceeding six months from the date they are due for payment

- Unsecured, considered good

ii) Outstanding for a period less than six months from the date they are due for payment

- Unsecured, considered good

Total

43,989,907.63	39,129,832.12
508,014,749.93	343,632,663.44
552,004,657.56	382,762,495.56

16 CASH AND BANK BALANCES

i) Cash And Cash Equivalents

Cash on hand

ii) Balances with bank

On current account

Total

3,495,216.81	5,441,484.81
26,564,505.72	45,144,666.76
30,059,722.53	50,586,151.57

17 SHORT TERM LOANS AND ADVANCES

Other Loan & Advances:

(Unsecured considered good unless otherwise stated)

Unsecured considered good unless otherwise stated

Balance with Government Authorities

Incentive/ Duty Drawback Receivable

Prepaid Expenses

Advance to Supplier

Advances to employees

Income Tax Refundable

Other loan & advances

Total

15,447,396.18	63,624.13
4,032,343.00	5,718,889.00
885,432.03	183,536.00
20,820,711.55	5,693,148.00
1,878,883.00	264,862.00
-	292,290.00
6,500.00	100,000,000.00
43,071,265.76	112,216,349.13



	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Amount	Amount	Amount	Amount
18 REVENUE FROM OPERATION				
Sale Of Products				
i) Manufactured Goods		1,965,751,772.99		1,515,874,391.82
ii) Stock-in-trade		11,642,139.96		125,339,500.47
Other Operating Revenue				
Export incentive	460,254.00		5,405,050.00	
Incentive received on yarn purchase	-		193,878.00	
Assist Under WBIP Scheme	798,490.00	1,258,744.00	1,004,131.00	6,603,059.00
Total		1,978,652,656.95		1,647,816,951.29
19 OTHER INCOME				
Interest Income				
i) From Fixed Deposit	226,873.00		152,536.00	
ii) From Loans & Advances / Others	1,031,452.00		221,918.00	
Other non operating income				
i) Miscellaneous Income	582,776.62	1,841,101.62	12,916.00	387,370.00
Total		1,841,101.62		387,370.00
20 COST OF MATERIAL CONSUMED				
i) Yarn Consumed				
Opening Stock	24,846,524.20		30,373,937.00	
Add : Purchases during the year	548,492,631.10		427,060,995.27	
	573,339,155.30		457,434,932.27	
Less: Yarn Sale	13,479,233.21		8,433,862.00	
Less : Closing Stock	39,635,090.14	520,224,831.95	24,846,524.20	424,154,546.07
ii) Packing Materials Consumed				
Opening Stock	25,276,989.52		4,947,861.00	
Add: Purchases during the year	193,225,411.45		106,231,074.00	
	218,502,400.97		111,178,935.00	
Less: Closing Stock	48,236,192.80	170,266,208.17	25,276,989.52	85,901,945.48
iii) Consumption of Fabrics		49,846,408.49		141,939,211.00
Total		740,337,448.61		651,995,702.55
21 PURCHASE OF STOCK IN TRADE (KNITWEAR)				
Purchases of Stock in Trade		7,090,676.28		116,536,680.00
Total		7,090,676.28		116,536,680.00
22 CHANGES IN FINISHED GOODS , WORK-IN-PROGRESS AND STOCK - IN - TRADE				
i) Finished Goods				
Opening Stock	110,643,745.82		127,053,728.42	
Closing Stock	152,475,488.83	(41,831,743.01)	110,643,745.82	16,409,982.60
ii) Work-in-progress				
Opening Stock	137,243,658.28		96,391,784.85	
Closing Stock	135,350,207.32	1,893,450.96	137,243,658.28	(40,851,873.43)
iii) Stock in Trade				
Opening Stock	10,092,823.05		6,732,094.00	
Closing Stock	6,251,236.43	3,841,586.62	10,092,823.05	(3,360,729.05)
Total		(36,096,705.43)		(27,802,619.88)



	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Amount	Amount	Amount	Amount
23 EMPLOYEE BENEFIT EXPENSE				
i) Salaries, Wages & Bonus	43,962,394.00		16,249,702.00	
ii) Provision for Employment benefit	<u>2,511,358.00</u>	46,473,752.00	<u>675,526.00</u>	16,925,228.00
iii) Contribution to Provident & Other Funds		1,573,553.00		550,847.00
iv) Staff Welfare Expenses		189,277.00		204,623.00
Total		<u>48,236,582.00</u>		<u>17,680,698.00</u>
24 FINANCE COST				
i) Interest Expense		14,576,098.00		11,767,469.00
ii) Bank Charges		887,637.87		1,441,303.50
Total		<u>15,463,735.87</u>		<u>13,208,772.50</u>
25 DEPRECIATION EXPENSE				
Depreciation on Tangible Assets		3,604,864.17		3,292,851.30
Amortization on Intangible Assets		9,422.78		11,370.13
Total		<u>3,614,286.95</u>		<u>3,304,221.43</u>
26 OTHER EXPENSES				
Store & Spares		282,299.74		45,446.00
Power & Fuel		455,114.00		372,011.00
Rent		2,345,735.00		589,942.00
Repairs & maintenance				
- Machinery		641,330.27		750,647.00
- Building		100,518.00		3,520.00
- Others		29,014.74		134,616.00
Insurance		470,526.89		1,944,883.00
Rates & Taxes		1,018,080.00		453,809.00
Royalty		75,000.00		75,000.00
Commission & Brokerage		17,141,459.00		13,619,862.00
Legal & Professional		3,232,531.00		3,593,571.00
Clearing & Forwarding		2,468,201.96		1,612,777.00
Freight and handling charges		22,777,202.37		19,542,582.00
Processing Expense		486,104,590.69		353,240,607.10
Discount Allowed		27,046,759.81		25,149,729.65
Advertisement & Publicity		201,689,137.80		120,829,070.00
Selling Expenses		85,514,783.81		66,926,757.42
Prior Period Items		802,319.82		(119,614.00)
Payment to Auditors (refer note 30)		100,000.00		1,446,525.00
Foreign currency translation loss / (gain) (net)		(945,027.48)		360,540.13
Membership & Subscription		65,600.00		34,850.00
Miscellaneous Expenses		18,654,520.14		8,958,417.41
Total		<u>870,069,697.56</u>		<u>619,565,548.71</u>
26 (1) Prior Period items includes				
Amount Debited		809,819.82		193,746.00
Amount Credited		(7,500.00)		(313,360.00)
Total		<u>802,319.82</u>		<u>(119,614.00)</u>
26 (2) Miscellaneous Expenses includes expenditure related to Corporate Social Responsibility (CSR) as per section 135 of the Companies Act, 2013 read with Schedule VII thereof amounting Rs. 2,785,000 (P.Y - Rs. 1,547,900).				



Year Ended March 31, 2018		Year Ended March 31, 2017	
Amount	Amount	Amount	Amount

27 Earning per share Computed in accordance with AS 20: "Earning Per Share"

Sl. No.	Particulars	As At 31.03.2018	As At 31.03.2017
1	Profit for the year	210,518,319.09	165,658,354.70
2	Weighted Average Number of Equity Shares Outstanding at the end of the year for Basic EPS.	235,000	235,000
3	Weighted Average Number of Equity Shares Outstanding at the end of the year for Diluted EPS	235,000	235,000
4	Nominal Value per share (Rs.)	10/-	10/-
5	Earning per shares		
	Basic	895.82	704.93
	Diluted	895.82	704.93



NOTES on financial statements for the year ended 31st March, 2018

28. (a) Capital and Other Commitments Nil (Previous Year Nil)
 (b) Contingent Liabilities Nil (Previous Year Nil)

29. Related Party Disclosures as required by Accounting Standard (AS-18) on "Related Party Disclosures" issued by the institute of Chartered Accountants of India, are as below:-

a) Key Managerial Personnel:

- 1.Smt. Bimla Devi Todi, Director
- 2.Smt. Shobha Devi Todi, Director
- 3.Sri Saket Todi, Director
- 4.Sri Udit Todi, Director

b) Relatives of Key Managerial Personnel

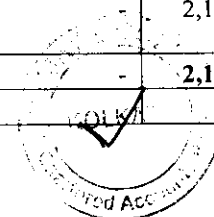
- 1.Neha Todi

c) Associates controlled by the Director/ relatives of the Director

- 1.Jaytee Exports
- 2.Rotex Intertrade Pvt. Ltd.
- 3.Lux Industries Ltd.
- 4.J.M.Hosiery & Co Limited
- 5.Biswanath Hosiery Mills Ltd.

The Company's Related Party transactions during the year and outstanding balances are as below:

Sl	Nature of Transaction	Key Management Personnel		Relatives of Key Management Personnel		Associates controlled by Director/Relatives	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1	Sale of goods						
	Biswanath Hosiery Mills Ltd	-	-	-	-	13,699,414.00	4,535,940.00
	Lux Industries Ltd	-	-	-	-	10,924,955.85	10,592,302.00
	Jaytee Exports	-	-	-	-	302,078.00	-
	Total	-	-	-	-	24,926,447.85	15,125,242.00
2	Purchase of Focus License						
	Lux Industries Ltd	-	-	-	-	1,671,616.00	5,579,773.00
	Total	-	-	-	-	1,671,616.00	5,579,773.00
3	Purchase of goods						
	Lux Industries Ltd	-	-	-	-	25,562,252.00	59,751,035.00
	Jaytee Exports	-	-	-	-	6,967,038.80	63,079,473.40
	Total	-	-	-	-	32,529,290.80	122,830,508.40
4	Payment for services						
	Lux Industries Ltd.(Knitting Charges)	-	-	-	-	16,499,308.00	13,572,590.00
	Total	-	-	-	-	16,499,308.00	13,572,590.00
5	Reimbursement of Taxes						
	Lux Industries Ltd. (Statutory Tax)	-	-	-	-	-	25,065,813.00
	Total	-	-	-	-	-	25,065,813.00
6	Payment of Taxes						
	Lux Industries Ltd. (Statutory Tax)	-	-	-	-	-	25,065,813.00
	Total	-	-	-	-	-	25,065,813.00
7	Reimbursement of Taxes by Lux Industries Ltd.						
	Ebell Fashions Pvt. Ltd. (Statutory Tax)	-	-	-	-	-	2,101,861.00
	Total	-	-	-	-	-	2,101,861.00



Sl	Nature of Transaction	Key Management Personnel		Relatives of Key Management Personnel		Associates controlled by Director/Relatives	
8	Payment of Taxes by Ebell Fashions Pvt .Ltd						
	Lux Industries Ltd. (Statutory Tax)	-	-	-	-	-	2,101,861.00
	Total	-	-	-	-	-	2,101,861.00
9	Remuneration						
	Bimla Devi Todi	6,000,000.00	1,200,000.00	-	-	-	-
	Shobha Devi Todi	6,000,000.00	1,200,000.00	-	-	-	-
	Total	12,000,000.00	2,400,000.00	-	-	-	-
10	Royalty paid						
	Biswanath Hosiery Mills Ltd.	-	-	-	-	81,000.00	75,000.00
	Total	-	-	-	-	81,000.00	75,000.00
11	Salary						
	Neha Todi	-	-	3,000,000.00	240,000.00	-	-
	Total	-	-	3,000,000.00	240,000.00	-	-
12	Interest paid						
	Rotex Intertrade Pvt. Ltd.	-	-	-	-	-	4,611.00
	Total	-	-	-	-	-	4,611.00
13	Loan repayment						
	Rotex Intertrade Pvt. Ltd.	-	-	-	-	4,611.00	100,000.00
	Bimla Devi Todi	100,000.00	-	-	-	-	-
	Shobha Devi Todi	100,000.00	-	-	-	-	-
	Saket Todi	160,000.00	15,940,000.00	-	-	-	-
	Udit Todi	20,000.00	2,130,000.00	-	-	-	-
	Total	380,000.00	18,070,000.00	-	-	4,611.00	100,000.00
14	Outstanding as at 31st March						
	(a) Sundry creditors						
	Biswanath Hosiery Mills Ltd.	-	-	-	-	148,500.00	67,500.00
	J.M.Hosiery & Co Ltd.	-	-	-	-	879,332.00	879,332.00
	Lux Industries Ltd	-	-	-	-	80,205,984.34	44,264,288.00
	Jaytee Exports	-	-	-	-	3,360,713.80	50,775,746.40
	Total	-	-	-	-	84,594,530.14	95,986,866.40
	(b) Unsecured loans						
	Rotex Intertrade Pvt. Ltd.	-	-	-	-	-	4,611.00
	Bimla Devi Todi	-	1,00,000.00	-	-	-	-
	Shobha Devi Todi	-	1,00,000.00	-	-	-	-
	Saket Todi	-	1,60,000.00	-	-	-	-
	Udit Todi	-	20,000.00	-	-	-	-
	Total	-	3,80,000.00	-	-	-	4,611.00
	(c) Advance Recoverable in cash or value to be received						
	Lux Industries Ltd	-	-	-	-	28,878,314.85	18,753,359.00
	Biswanath Hosiery Mills Ltd.	-	-	-	-	12,469,858.00	3,921,952.00
	Jaytee Exports	-	-	-	-	302,078.00	-
	Total	-	-	-	-	41,650,250.85	22,675,311.00

Note: The amounts represented above for the transactions taken place during the respective years are inclusive of all relevant taxes.



30. Auditor's Remuneration includes:

Particulars	2017-18	2016-17
As Auditor	100,000.00	51,750.00
Taxation Matter	-	5,750.00
Vat Audit	-	8,050.00
Income Tax Matter & Other matter	-	1,380,975.00
Total	100,000.00	1,446,525.00

31. There are no micro, small & medium enterprises as defined under "The Micro, Small & Medium Enterprises Development Act, 2006" to whom the company owes dues which are outstanding for more than 45 days as at the Balance Sheet date. The said information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

32. The details relating to Corporate Social Responsibility (CSR) expenditure are as follows:

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The Utilization is done by way of contribution towards various activities.

(a) Amount spent during the year on:

Sl.No	Particulars	Amount (in cash/ Bank)	Amount (yet to be paid)	Total
1.	Construction/ acquisition of any assets			
2.	On purpose other than(1) above			
	- Education and Skill development	1,100,000.00		1,100,000.00
	- Health Care	24,000.00	-	24,000.00
	- Others	1,661,000.00	-	1,661,000.00
	TOTAL	2,785,000.00		2,785,000.00

(b) No contribution has been made to any related party as per Accounting Standard (AS) 18, Related party disclosures.

33. **Gratuity benefit plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company has not funded the scheme.

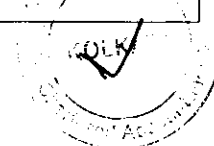
(a) The following table's summaries the components of the net benefit expenses recognized in the profit and loss account and amounts recognized in the balance sheet for respective plans.

Particulars	Gratuity	
	As at March 31, 2018	As at March 31, 2017
Present Value of Obligation at the beginning of the year	1,299,502	-
Current Service Cost	814,345	1,299,502
Interest Cost	100,711	-
Net Actuarial Losses / (Gain)	1,596,302	-
Benefit Paid	-	-
Present Value of Obligation at the end of the year	3,810,860	1,299,502

The Provision for Gratuity is charged to the Statement of Profit and Loss and same is shown in Note No. 23 of the Notes to Accounts.

(b) Principle assumptions used in the determining gratuity obligation for the Company's are shown below:

Particulars	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.75%	7.50%
Rate of increase in Salaries	6.00%	6.00%
Expected average remaining working lives of employees (years)	0.00%	0.00%
Withdrawal rates	Varying between 8% p.a. and 1% p.a. depending on duration and age of the employees	



34. Particulars in respect of sales

Class of goods	Value (Rs.)	
	2017-18	2016-17
Hosiery goods	1,977,393,912.95	1,641,213,892.29

35. Details of finished stock

Class of goods	Value (Rs.)	
	2017-18	2016-17
i) Opening stock Knitwear	120,736,568.87	133,785,822.42
ii) Closing stock Knitwear	158,726,725.26	120,736,568.87

36. Details of Finished Goods Purchased

Class of goods	Value (Rs.)	
	2017-18	2016-17
Knitwear	7,090,676.28	116,536,680.00

37. Particulars about Work in Progress

Class of goods	Value (Rs.)	
	2017-18	2016-17
Closing stock of Fabrics	135,350,207.32	137,243,658.28

38. Details of raw materials consumed during the year

Class of goods	Value (Rs.)	
	2017-18	2016-17
Yarn	520,224,831.95	424,154,546.07
Fabric	49,846,408.49	141,939,211.00
Packing material & Others	170,266,208.17	85,901,945.48
Total	740,337,448.61	651,995,702.55

39. Value of imported and indigenous raw materials consumed and percentage of each to total consumption:

Class of goods	Percentage		Value (Rs.)	
	2017-18	2016-17	2017-18	2016-17
(a) Raw materials				
Imported	6.12 %	6.10%	45,319,183.80	39,758,988.18
Indigenous	93.88 %	93.90%	695,018,264.81	612,236,714.37
Total	100.00 %	100.00%	740,337,448.61	651,995,702.55

40. Value of imports during the year on C.I.F. basis

Class of goods	2017-18	2016-17
Raw materials	45,319,184.36	39,758,988.18
Capital goods	8,817,340.40	-

41. Earning in foreign currency:

Particulars	2017-18	2016-17
Direct Export of goods at FOB value	6,042,510.32	55,395,853.69



42. Expenditure in foreign currency:

Particulars	2017-18	2016-17
Agent Commission	149,696.00	233,025.00

43. Disclosures pursuant to Section 186 of the Companies Act, 2013 are as follows :

Sl. No.	Particulars	Year Ended March 31st, 2018	Year Ended March 31st, 2017
a)	Loans and advances in the nature of loan to others		
i)	Shree Krishna Company		
	Balance at the year end	-	100,000,000.00
	Maximum amount outstanding at any time during the year	100,288,493.00	100,000,000.00
	It is repayable over a period of 1 year and carries rate of interest of 9%.		-
ii)	Methoni Tea Company Limited		
	Balance at the year end	-	-
	Maximum amount outstanding at any time during the year	80,000,000.00	-
	It is repayable over a period of 1 year and carries rate of interest of 9%.		-

44. It is the contention of the management that trade receivable as on 31.03.2018 shown in Note No. 15 is good for recovery and does not include any doubtful amount, hence no provision for doubtful is required.
45. Balances of parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/ confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
46. Previous year figures have been recast/ regrouped whenever necessary to conform to the current Year's presentation.

As per out report of even date attached.

FOR SANJAY MODI & CO.

Chartered Accountants

Firm Registration No: 322295E

Prodyat Chaudhuri

CA Prodyat Chaudhuri

Partner

Membership No. 065401

Place: Kolkata

Date: 31.05.2018.

For and on behalf of the Board

Saket Todi

Saket Todi

Director

(DIN - 02821380)

Udit Todi

Udit Todi

Director

(DIN - 02017579)

