



KASMA & ASSOCIATES

CHARTERED ACCOUNTANTS

39 A Vrindavan Vihar, Hiran Magri, Sec-3, Udaipur-313002
M.no.-8233721555; Email- casiddharthkasma@gmail.com

AUDITOR'S REPORT

To,
The Members of
FIBCORP POLYWEAVE PRIVATE LIMITED
Udaipur

We have audited the accompanying financial statements of FIBCORP POLYWEAVE PRIVATE LIMITED, which comprise the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss 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 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. The board of directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, which have been used for the purpose of preparation of the financial statements by the directors of the company, as aforesaid.

Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standard 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 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the



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reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- b) in the case of the Statement of Profit and Loss Account, of the profit/ loss 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 Companies Act, 2013 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the annexure 'A' a statement on the matters specified in paragraph 3 & 4 of the order.
2. As required by section 143(3) of the Act, we further report, to the extent applicable 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 appears from our examination of those books
 - c) The Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014.
 - e) 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.
 - f) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.



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- 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- The financial statements disclose the impact of pending litigations on the financial position of the Company.
 - Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For KASMA & ASSOCIATES

Chartered Accountants

FRN-024989C



Siddharth Kasma

Proprietor

M.No. - 432988

Place- Udaipur

Date- November 27, 2020

UDIN- 20432988AAAABP1165



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ANNEXURE 'A' FORMING PART OF THE AUDITOR'S REPORT

Referred to in paragraph 1 under the heading Report on Other Legal and Regulatory Requirements of our report of even date of FIBCORP POLYWEAVE PRIVATE LIMITED

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
(c) The title deeds of the immovable properties are held in the name of the company.
- (ii) In our opinion and according to information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. Therefore provisions of clause 3 (iii a), (iii b) & (iii c) of the said order are not applicable to the company.
- (iv) In our opinion and according to information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments and guarantees.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted deposits, under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore provisions of clause 3 (v) of the said order are not applicable to the company.
- (vi) In our opinion and according to the information and explanations given to us, cost records which has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 has been maintained by the company.



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- (vii) According to the information and explanations given to us and the records of the company examined by us, in our opinion :
- (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income - tax, sales - tax, service tax, duty of customs, duty of excise, value added tax and any other statutory dues, as applicable. There were no arrears of undisputed amounts payable in respect of statutory dues as at the end of the year for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax or sales tax or service tax or duty of customs 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 repayment of any borrowings from any financial institution or bank
- (ix) In our opinion and according to the information and explanations given to us, the company has raised money by way of further issue to existing shareholders and company has also raised the term loans and CC limit from Indusind bank during the year. Company has also availed unsecured loan during the financial year. All these funds have been utilized for the purpose for which they have been obtained.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers / employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, provisions of section 197 of the Companies Act, 2013 is not applicable to a Private Limited Company. Therefore the provisions of clause 3 (xi) are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the said company is not a Nidhi Company. Therefore the provisions of clause 3 (xii) are not applicable to the company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions made by company with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013.



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- (xiv) In our opinion and according to the information and explanations given to us, the company has made right issue of shares to its existing shareholders and requirement of section 42 of the Companies Act 2013 has been complied with and funds have used for the purpose for which they have been raised.
- (xv) In our opinion and according to information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year under report. Therefore the provisions of clause 3 (xv) are not applicable to the company.
- (xvi) In our opinion and according to information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



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Annexure 'B' to the Independent Auditor's Report of even date on the Financial Statements of FIBCORP POLYWEAVE PRIVATE LIMITED

(Referred to in paragraph 2(e) under 'Report on Other Legal and Regulatory Requirements section of our report of even date)

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 **FIBCORP POLYWEAVE PRIVATE LIMITED** ("the Company") as of March 31, 2020 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 (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



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Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial



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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 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 March 31, 2020, 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.



Siddharth

FIBCORP POLYWEAVE PRIVATE LIMITED
9-10B Saheli Marg, Udaipur (Raj)-313001
CIN:U17309RJ2017PTC058691
BALANCE SHEET AS AT 31st MARCH, 2020

"Amount in Rs"

Particulars	Note No	Figures as at 31-03-2020	Figures as at 31-03-2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	5,136,500	4,000,000
(b) Reserves and Surplus	3	8,150,543	1,975,971
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	4,952,614	9,490,194
(b) Deferred tax liabilities (Net)		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5	12,886,864	8,694,632
(b) Trade payables	6	22,895,716	21,316,366
(c) Other current liabilities	7	3,005,105	659,453
(d) Short-term provisions	8	1,069,990	1,012,771
Total		58,097,331	47,149,386
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment			
(i) Tangible assets	9	6,085,359	7,001,686.98
(b) Deferred tax assets(net)		120,637	10,093
(c) Long term loans and advances	10	625,150	605,500
(d) Other non-current assets	11	2,161,949	1,850,848
(2) Current assets			
(a) Inventories	12	22,501,137	16,609,052
(b) Trade receivables	13	15,178,374	5,876,800
(c) Cash and cash equivalents	14	2,512,942	2,504,167
(d) Short-term loans and advances	15	5,103,186	9,843,698
(e) Other current assets	16	3,808,597	2,847,541
Total		58,097,331	47,149,386
Summary of Significant Accounting Policies	1		

This is the Balance Sheet referred to in our Report of even date

For KASMA & ASSOCIATES
Chartered Accountants
FRN: 024989C

For and on behalf of the
FIBCORP POLYWEAVE PRIVATE LIMITED



Siddharth Kasma
(Proprietor)
M.No.-432988


(Murtaza Ali Moti)
(Director)
(DIN No: 07876224)


(Fatima Moti)
(Director)
(DIN No: 07876195)

Date: November 27, 2020
Place: UDAIPUR
UDIN-20432988AAAABP1165

FIBCORP POLYWEAVE PRIVATE LIMITED

9-10B Saheli Marg, Udaipur (Raj)-313001

CIN:U17309RJ2017PTC058691


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

"Amount in Rs"

Particulars	Note No	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
I. Revenue from operations	17	118,790,366	83,948,132
II. Other Income	18	5,092,979	4,662,479
III. Total Revenue (I +II)		123,883,345	88,610,611
IV. Expenses:			
Cost of materials consumed	19	91,637,149	64,721,897
Purchases of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(4,252,267)	2,670,360
Employee benefit expense	21	6,987,797	3,076,819
Financial costs	22	3,642,639	2,012,046
Depreciation and amortization expense	23	1,581,746	1,409,170
Other expenses	24	29,529,317	16,094,695
Prior period expenses	25	57,936	-
IV. Total Expenses		129,184,317	89,984,986
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(5,300,972)	(1,374,376)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(5,300,972)	(1,374,376)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(5,300,972)	(1,374,376)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(110,544)	(81,562)
XI. Profit(Loss) from the period from continuing operations	(IX-X)	(5,190,427)	(1,292,814)
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(5,190,427)	(1,292,814)
XVI. Earning per equity share of face value of Rs 100 each			
(1) Basis and Diluted		(128)	(32)

This is the Balance Sheet referred to in our Report of even date

For KASMA & ASSOCIATES
Chartered Accountants
FRN: 024989C


Siddharth Kasma
(Proprietor)
M.No.-432988
Date: November 27, 2020
Place: UDAIPUR



For and on behalf of the
FIBCORP POLYWEAVE PRIVATE LIMITED


(Murtaza Ali Moti)
(Director)
(DIN No: 07876224)


(Fatima Moti)
(Director)
(DIN No: 07876195)

UDIN-20432988AAAABP1165

FIBCORP POLYWEAVE PRIVATE LIMITED

9-10B Saheli Marg, Udaipur (Raj)-313001

CIN: U17309RJ2017PTC058691

CASH FLOW STATEMENT

	"Amount in Rs"	
	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax		
Adjustment for Depreciation	(5,300,972)	(1,374,376)
Interest and Financial Charges	1,581,746	1,409,170
Interest and Dividend Received	3,642,639	2,012,046
Profit on sale of asset sold	(55,489)	(16,480)
Operating Profit Before Working Capital Charges	(107,031)	-
Adjustments For:	(239,107)	2,030,360
(Increase) / Decrease in Inventories	(5,892,085)	(5,576,070)
(Increase) / Decrease in Trade and Other Receivable	(9,301,575)	(5,173,766)
(Increase) / Decrease in Short Term Loan & Advances	4,740,512	(6,104,192)
(Increase) / Decrease in Other current assets	(961,056)	(2,593,532)
(Increase) / Decrease in Other non current assets	(311,100)	(1,850,848)
Increase / (Decrease) in Trade and Other Payable	1,579,350	13,324,036
Increase / (Decrease) in Current Liabilities	2,345,652	(1,031,905)
Increase / (Decrease) in Other Provision	57,219	580,438
Cash Generated From Operation	(7,982,190)	(6,395,480)
Tax Paid	-	-
Net Cash Flow Operating Activities (A)	(7,982,190)	(6,395,480)
B. Cash From Investing Activities		
(Purchase)/ Sale of Fixed Assets (Net)	(558,387)	(2,786,798)
Security deposit given	(19,650)	(105,500)
Bank FDR Interest	55,489	16,480
Net Cash Used in Investing Activities (B)	(522,548)	(2,875,818)
C. Cash Flow From Financing Activities:		
Net proceeds From / (Repayment of) Long Term Borrowings	(4,537,580)	5,340,024
Proceeds From shares issue	12,501,500	-
Net increase / (Decrease) in Short term borrowings	4,192,232	6,521,168
Interest paid	(2,987,431)	(1,661,678)
Finance charges paid	(655,208)	(350,368)
Net Cash From Financing Activities (c)	8,513,513	9,849,146
D. NET INCREASE IN CASH AND CASH EQUIVALENT	8,775	577,848
(A+B+C)		
E. OPENING CASH AND CASH EQUIVALENTS	2,504,167	1,926,319
F. CLOSING CASH AND CASH EQUIVALENTS	2,512,942	2,504,167
(see note no 1)		

Notes to the cash flow statement:

1 Cash & Cash Equivalents

Cash & Cash Equivalents consist of cash on hand & balances with banks, which comprises the following amounts-

Cash in Hand	698,802	416,718
Cash at bank	506,724	827,617
Bank FD	1,307,417	1,259,832
Total	2,512,942	2,504,167

2 Figures in brackets represent outflow

3 Previous years figures have been regrouped / reclassified wherever applicable

This is the Balance Sheet referred to in our Report of even date

For KASMA & ASSOCIATES

Chartered

FRN: 024989C

Siddharth Kasma
(Proprietor)

M.No -432988

Date: November 27, 2020

Place: UDAIPUR

UDIN-20432988AAAABP1165

For and on behalf of the

FIBCORP POLYWEAVE PRIVATE LIMITED



(Signature)
(Murtaza Ali Moti)
(Director)

(DIN No: 07876224)

(Signature)
(Fatima Moti)
(Director)

(DIN No: 07876195)

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH 2020

NOTE 1:

Significant Accounting Policies

Company overview

FIBCORP POLYWEAVE PRIVATE LIMITED was incorporated on July 31, 2017 under the laws of the republic of India. Registered office of the company is situated at Udaipur (Raj). Company is engaged in the business of manufacturing and trading of Flexible Intermediate Bulk Container (FIBC) products. Company also involves in job work from time to time as per relevant orders.

Significant Accounting Policies

1.1 General

These financial statements of company are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis and going concern basis except liabilities with significant uncertainties (if any) are measured on cash basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied by the company are consistent with those used in the previous year.

Use of estimates:

The preparation of financial statements is conformity with generally accepted accounting principles that requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.2 Valuation of inventory

Raw material- At cost or market value whichever is lower

Finished goods & work in progress- At lower of cost or Net realizable value

Packing material- At cost

Waste- At net realizable value

1.3 Security

The Working capital/Overdraft facility and FCTL loan from Indusind Bank Ltd, Udaipur is secured by way of hypothecation of all existing as well as future assets of the company, equitable mortgage of residential property and one commercial office of family member of Murtaza Ali Moti and personal guarantee of Directors Murtaza Ali Moti and Fatima Moti.

1.4 Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated Depreciation and impairment loss if any. Cost comprises purchase price and all directly attributable costs of bringing the assets in its working condition for its intended use. Any trade discount and rebates are deducted while arriving purchase price.

1.5 Intangible Fixed Assets

Intangible assets are recognized where it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

1.6 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factor. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

After impairment, depreciation is provided on the revised carrying amount of asset over its remaining useful life.

1.7 Depreciation and Amortization

Depreciation on asset is provided using written down value method. Useful life of the asset as provided under the schedule II of the Companies Act 2013 has been used for deriving the rate of depreciation. Residual value is taken as 5% of the cost of the asset. Depreciation for assets purchased/sold during the period is charged proportionately.

1.8 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments. On initial recognition, all investments are measured at cost. The cost comprises the purchase price and all directly attributable charges such as brokerage, fees, and duties.

1.9 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods: Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Income from services: Revenues from job work are recognized as and when services are rendered. The company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, it is excluded from revenue.

Interest: Interest income is recognized on accrual basis taking into account rate of interest applicable, amount outstanding and time proportion.

Rent: Rent income is booked as per terms of contracts

1.10 Taxation

Deferred income tax is recognized on timing difference, between taxable income and accounting income, which originate in one period and are capable of reversal in one or more subsequent period. The tax effect is calculated on the accumulated timing differences at the year-end based on tax rates and laws enacted or substantially enacted as on the Balance Sheet date.

1.11 Earnings per share

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

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

Figures as at 31-03-2020 Figures as at 31-03-2019

NOTE 2 :

Share Capital

AUTHORISED :

52000 Equity Share of Rs.100/-each

5,200,000

50000 Equity Share of Rs.100/-each

5,000,000

Equity Share of Rs.100/-each

5,200,000

5,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

51365 Equity Share of Rs.100/-each

5,136,500

40000 Equity Share of Rs.100/-each

4,000,000

Outstanding at the end of the Year

5,136,500

4,000,000

a. Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Equity Shares Allotted as fully paid up pursuant to contracts for consideration other than Cash

-

-

Reconciliation of number of equity shares

Outstanding at the beginning of the year

40,000

40,000

Issued during the year

11,365

-

Outstanding at the end of the year

51,365

40,000

Details Of Shareholders Holding More Than 5 % Shares

Name Of Shareholder

No. Of Shares Held

Percentage

As on 31-03-20

As on 31-03-19

As on 31-03-20

As on 31-03-19

Fatima Moti

4,500

2,500

8.76%

6.25%

Murtaza Moti

28,046

25,500

54.60%

63.75%

Park Continental Pvt. Ltd.

8,949

4,400

17.42%

11.00%

SAT Industries Ltd.

9,870

7,600

19.22%

19.00%

NOTE 3 :

Reserves & Surplus

(a) Share Premium

Balance as per Last Balance Sheet

3,300,000

Add:- Premium on shares received during the year

11,365,000

3,300,000

Closing Balance

Total (a)

14,665,000

3,300,000

(b) Surplus/(deficit) in the Statement of Profit & Loss.

Balance as per Last Balance Sheet

(1,324,029)

(31,215)

Add: Profit for the year

(5,190,427)

(1,292,814)

Net Surplus in the statement of Profit & Loss

Total (b)

(6,514,457)

(1,324,029)

Total (a+b)

8,150,543

1,975,971

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"
Figures as at **Figures as at**
31-03-2020 **31-03-2019**

NOTE 4 :

Long Term Borrowings

Unsecured

Fatima Moti

45,758 1,936,598

Italica Furniture Private Limited

2,500,001 5,000,001

Murtaza Moti

- 2,553,595

2,545,759 9,490,194

Less: Shown under current maturity of long term debts(Refer note 5)

Total (a)

2,545,759 9,490,194

Secured

FCTL (EPC) from Indusind Bank

3,896,808 -

3,896,808 -

Less: Shown under current maturity of long term debts(Refer note 7)

Total (b)

1,489,953

2,406,855 -

(Hypothecation Clause: Stock and all existing & future Movable Assets of the company)

Total (a+b)

4,952,614 9,490,194

NOTE 5 :

Short Term Borrowings

Secured

Loans repayable on demand (from banks)

CC Limit from Indusind Bank

4,840,139 -

EPC loan from Indusind Bank

8,046,725 -

Bank Overdraft - The Udaipur Urban Co-Operative Bank Ltd

- 8,694,632

(Hypothecation Clause for all loans : Stock and all existing & future Movable Assets of the company)

12,886,864 8,694,632

NOTE 6 :

Trade Payables

22,895,716 21,316,366

22,895,716 21,316,366

NOTE 7 :

Other Current Liabilities

Current maturity of FCTL loan

1,489,953 -

Interest accrued but not paid

107,842 113,179

Other payables

1,407,310 546,274

3,005,105 659,453

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"
Figures as at **Figures as at**
31-03-2020 **31-03-2019**

NOTE 8:

Short Term Provisions

Provision for employee benefits

Other

684,517 739,352

385,473 273,419

1,069,990 1,012,771

NOTE 10 :

Long Term Loans & Advances

Security Deposits

625,150 605,500

625,150 605,500

NOTE 11 :

Other Non Current Assets

Other Non Current Assets

2,161,949 1,850,848

2,161,949 1,850,848

NOTE 12 :

Inventories

Raw material

Stock WIP

Finished Goods

Stores spares and consumables

14,723,859 13,090,034

- -

7,278,306 3,026,039

498,971 492,979

22,501,137 16,609,052

NOTE 13 :

Trade Receivables

(Unsecured considered good)

Over six month

Others

234,771 -

14,943,604 5,876,800

15,178,374 5,876,800

NOTE 14 :

Cash And Cash Equivalents

Cash in Hand

Balance with banks

Other balance with- Banks

Fixed deposit

698,802 416,718

506,724 827,617

1,307,417 1,259,832

2,512,942 2,504,167

FIBCORP POLYWEAVE PRIVATE LIMITED

SUB NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
SUB NOTE 1 (WITH REF TO NOTE NO-4)		
<u>LONG TERM BORROWINGS</u>		
Secured		
FCTL (EPC) from Indusind Bank	3,896,808	-
Less: Shown under current maturity of long term debts	1,489,953	
	<u>2,406,855</u>	
Other details		
Loan Amount taken in currency	EURO	
Outstanding EURO amount as on March 31,2020	46,921	
Installment due within next 12 months	17,941	
This EURO loan amount has been restated at closing RBI exchange rate		
Company has entered into interest rate swap agreement for converting floating interest rate liability to fixed interest rate liability		
SUB NOTE 2 (WITH REF TO NOTE NO-6)		
<u>TRADE PAYABLES</u>		
Creditors for expenses	1,890,118	816,181
Creditors for materials	19,241,584	19,100,491
Creditors for transporter	1,764,014	1,399,693
	<u>22,895,716</u>	<u>21,316,366</u>
SUB NOTE 3 (WITH REF TO NOTE NO-7)		
<u>OTHER CURRENT LIABILITIES</u>		
Other payables		
Creditors for capital goods	3,380	344,514
ESIC and EPF payable	24,379	21,696
Advance from debtors	1,256,250	19,552
TDS payable	123,301	160,512
	<u>1,407,310</u>	<u>546,274</u>
SUB NOTE 4 (WITH REF TO NOTE NO-8)		
<u>SHORT TERM PROVISIONS</u>		
Other		
Provision for expenses	239,323	177,080
O/s power & fuel expenses	84,650	62,479
O/s room rent	61,500	33,860
	<u>385,473</u>	<u>273,419</u>
SUB NOTE 5 (WITH REF TO NOTE NO-11)		
<u>OTHER NON CURRENT ASSETS</u>		
Deferred revenue expenditure	2,161,949	1,850,848
	<u>2,161,949</u>	<u>1,850,848</u>

FIBCORP POLYWEAVE PRIVATE LIMITED

SUB NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

**Figures for the
year ended
31-03-2020**

**Figures for the
year ended
31-03-2019**

**SUB NOTE 6 (WITH REF TO NOTE NO-15)
SHORT TERM LOANS & ADVANCES**

Others

Advance against salary and wages	71,886	136,865
Staff loan	96,518	54,208
TDS receivable	13,486	7,978
MAT credit	7,674	-
Advance against expenses	10,106	-
	199,670	199,051

**SUB NOTE 7 (WITH REF TO NOTE NO-16)
OTHER CURRENT ASSETS**

Deferred revenue expenditure	656,165	462,712
	656,165	462,712

**SUB NOTE 8 (WITH REF TO NOTE NO-17)
REVENUE FROM OPERATIONS**

Sale of Products

Export sales	95,221,707	75,016,863
Domestic sales	23,557,659	8,773,554
	118,779,366	83,790,417

SUB NOTE 9 (WITH REF TO NOTE NO-21)

Employee Benefit Expenses

Salary and wages

Production worker salary	2,823,681	956,133
Director remuneration	1,200,000	300,000
Staff salary	1,031,700	762,000
	5,055,381	2,018,133

**SUB NOTE 10 (WITH REF TO NOTE NO-22)
FINANCIAL EXPENSES :**

Interest to Bank (FCTL loan-EURO loan)

Interest on FCTL loan	46,873	-
Payment of Interest Rate SWAP liability	35,083	-
Exchange loss on FCTL part of borrowing cost	5,076	-
	87,031	-

SUB NOTE 11 (WITH REF TO NOTE NO-24)

Administrative Expenses

Payment to Auditors

(1) Statutory audit fees	30,000	10,000
(2) Tax Audit fees	30,000	10,000
(3) GST Audit fees	20,000	-
	80,000	20,000

FIBCORP POLYWEAVE PRIVATE LIMITED
9-10B Saheli Marg, Udaipur (Raj)-313001
Property, Plant & Equipment Chart as at 31st March 2020

NOTE 9 :

Name of Assets	Gross Block			Accumulated Depreciation/Amortisation				Net Block		"Amount in Rs"
	Balance as at 1st April 2019	Additions During the Year	Deletion During the Year	Balance as at 31st March 2020	Balance as at 1st April 2019	Provided During the year	Deletion/adjustment during the year	Balance as at 31st March 2020	Balance as at 31st March 2019	
A. Tangible Assets										
Plant & machinery	6,679,179	526,225	807,236	6,398,168	1,176,833	954,147	214,267	4,481,456	5,502,346	
Computer and data processing unit	110,184	131,360	-	241,544	61,869	80,188	-	99,487	48,314	
Furniture & Fixtures	714,817	168,952	-	883,769	151,055	182,649	-	550,065	563,762	
Office equipments	398,017	128,019	-	526,036	88,972	157,916	-	279,148	309,045	
Laboratory equipment	299,500	-	-	299,500	77,541	57,465	-	164,494	221,959	
Electrical Installations and Equipment	327,254	303,830	-	631,083	15,658	137,817	-	477,608	311,596	
Motor vehicles	45,489	-	-	45,489	824	11,564	-	33,101	44,665	
Total (A)	8,574,439	1,258,387	807,236	9,025,590	1,572,752	1,581,746	214,267	6,085,359	7,001,687	
P. Y. Total	5,787,641	2,786,798	-	8,574,439	163,582	1,409,170	-	1,572,752	7,001,687	5,624,059

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

Figures as at
31-03-2020

Figures as at
31-03-2019

NOTE 15 :

Short Term Loans & Advances

(Unsecured - Considered good)

GST receivable	4,756,446	9,582,191
Advance to creditors	146,040	61,427
Capital Advance	1,030	1,030
Others	199,670	199,051
	<u>5,103,186</u>	<u>9,843,698</u>

NOTE 16 :

Other Current Assets

MEIS Receivable	3,104,565	2,228,970
Other current assets	656,165	462,712
Prepaid Expenses	47,867	48,714
Duty Drawback receivable	-	107,145
	<u>3,808,597</u>	<u>2,847,541</u>

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

Figures for the year ended 31-03-2020 **Figures for the year ended 31-03-2019**

NOTE 17 :

Revenue From Operations

(Refer note 1.9 on revenue recognition)

Sale of Products	118,779,366	83,790,417
Sale of services	11,000	157,715
	118,790,366	83,948,132

Particulars of Sale of Products

Particulars

FIBC, Fabric and other by products	118,779,366	83,790,417
	118,779,366	83,790,417

Particulars of Sale of services

Particulars

Job work income	11,000	157,715
	11,000	157,715

NOTE 18 :

Other Income

MEIS License Income	3,750,446	2,806,147
Exchange Rate Fluctuation	1,043,169	1,462,272
Duty drawback income	136,786	369,165
Profit on sale of fixed asset	107,031	-
Interest Income	55,489	16,480
Other Income	-	8,100
Discount & Round off	58	314
	5,092,979	4,662,479

NOTE 19 :

Cost Of Material Consumed

Opening Stock	13,090,034	5,241,712
Add-Purchase plus expenses	93,270,975	72,570,218
Less- Closing stock	14,723,859	13,090,034
	91,637,149	64,721,897

FIBCORP POLYWEAVE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

Figures for the year ended 31-03-2020 Figures for the year ended 31-03-2019

NOTE 20 :

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Closing Stock

Finished Goods	7,278,306	3,026,039
Stock in Process (WIP)	-	-
Total (A)	7,278,306	3,026,039

Opening Stock

Finished Goods	3,026,039	3,260,475
Stock in Process (WIP)	-	2,435,924
Total (B)	3,026,039	5,696,399

(Increase)/Decrease in Stock (C) (B-A)

(4,252,267)	2,670,360
--------------------	------------------

NOTE 21 :

Employee Benefit Expenses

Salary and wages	5,055,381	2,018,133
Contribution to EPF	204,805	-
Contribution to ESI	100,707	48,117
Staff welfare expenses	1,626,904	1,010,569
	6,987,797	3,076,819

NOTE 22 :

Financial Expenses :

Interest-Unsecured loan	1,936,413	1,131,795
Interest to Bank (INR loan)	963,151	529,883
Bank Charges	377,598	191,554
Bank Commission on foreign remittances	277,609	158,814
Interest to Bank (FCTL EURO loan)	87,031	-
MAT interest for FY 17-18	836	-
	3,642,639	2,012,046

NOTE 23 :

Depreciation and Amortization Expenses

Depreciation	1,581,746	1,409,170
	1,581,746	1,409,170

FIBCORP POLYWEAVE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

"Amount in Rs"

Figures for the year ended
31-03-2020

Figures for the year ended
31-03-2019

NOTE 24 :

Other Expenses

Manufacturing Expenses

Job work charges-Fabric		
Consumables	3,802,401	-
Power & Fuel Expenses	1,590,194	1,086,999
Rent of Plant & Machinery	1,049,882	640,831
Repairs & Maintenance- Plant & Machinery	865,419	-
Job work charges-Tape	385,036	230,604
Bag Printing Expenses	376,254	-
Packing Material	369,308	179,727
Job work charges-Yarn	156,710	-
Factory Expenses	59,510	-
Quality Control Expenses	56,677	43,162
Cutting and stitching expenses	11,400	118,800
Conveyance allowances	-	58,425
Other manufacturing expenses	10,925	-
	10,704,005	7,126,714
Total (A)	19,437,721	9,485,262

Administrative Expenses

Rent of Land & Building		
Legal & Professional Fees	1,812,000	1,192,500
Security Services	345,250	326,125
Postage & Courier Exp	324,071	22,479
Conveyance Expenses	247,683	8,099
Payment to Auditors	86,259	84,700
Repair & Maintenance-Building & Others	80,000	20,000
Insurance- Burglary, fire and vehicle	59,108	67,276
Telephone & Internet	58,202	33,683
Printing & Stationery Expenses	54,797	1,596
Membership & Subscription	48,799	18,644
Accounting charges	18,200	10,100
Late Fees And Penalty	-	12,000
Software & License Fees	9,416	5,422
Other Administrative Expenses	3,089	15,002
	5,541	47,464
Total (B)	3,152,415	1,865,089

FIBCORP POLYWEAVE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH, 2020

	"Amount in Rs"	
	Figures for the year ended 31-03-2020	Figures for the year ended 31-03-2019
Selling & Distribution Expenses		
Freight Charges	4,508,955	3,337,200
Clearing & Forwarding	1,359,592	1,234,465
Business promotion exp	462,712	-
Discount on sell of duty credit scripts	143,751	-
Loading & Unloading Charges	137,234	73,495
Packing expenses	110,000	12,380
Insurance- Transit, Fire and Marine	87,148	22,887
Other Selling & Distribution Expenses	73,833	43,644
Discount Allowed	54,455	19,673
Certification Charges	1,500	600
Total (C)	6,939,180	4,744,344
Total (A+B+C)	29,529,317	16,094,695

NOTE 25 :

Prior period expenses

Bank charges

Foreign exchange loss

297	-
57,638	-
57,936	-

FIBCORP POLYWEAVE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED AS ON 31st MARCH 2020

NOTE 26 :

RELATED PARTY TRANSACTIONS

S.no.	Name of the party	Relation	Nature of transaction	FY 19-20	FY 18-19
1	Murtaza Ali Moti	Director	Unsecured loan accepted	805450	2,520,000
2	Murtaza Ali Moti	Director	Interest on unsecured loan	52439	309,655
3	Murtaza Ali Moti	Director	Repayment of unsecured loan	3359045	1,550,000
4	Murtaza Ali Moti	Director	Remuneration	300000	300,000
5	Murtaza Ali Moti	Director	Conveyance reimbursement	68246	72,000
6	Fatima Moti	Director	Unsecured loan accepted	100000	1,895,414
7	Fatima Moti	Director	Interest on unsecured loan	232400	112,593
8	Fatima Moti	Director	Repayment of unsecured loan	2018749	405,414
9	Fatima Moti	Director	Remuneration	900000	900,000

NOTE 27 :

As per management of company the value of current assets, loans & advances which are unsecured and considered good, would not be less than stated in the accounts, if realized in the ordinary course of business. Valuation of inventory has been carried out as per company's general accounting policy and same has been certified by management.

NOTE 28 :

Contingent liability provided in the books as on balance sheet date is nil.



NOTE 29 :

Amount of ITC availed and utilized is verified and same is matching the books of accounts of assessee, said amount have not been reconciled with GST portal.

Signature to Note no 1 to note 29
 In terms of our report of even date

For KASMA & ASSOCIATES
 Chartered Accountants
 FRN: 024989C

For and on behalf of the
 FIBCORP POLYWEAVE PRIVATE LIMITED

Siddharth Kasma
 (Proprietor)
 M.No.-432988


 (Murtaza Ali Moti)
 (Director)
 (DIN No: 07876224)


 (Fatima Moti)
 (Director)
 (DIN No: 07876195)

Date: November 27, 2020
 Place: UDAIPUR
 UDIN-20432988AAAABP1165