

S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED
RAJAPALAYAM
CIN : U17116TN1996PTC036146

23rd ANNUAL REPORT
2019-2020

AUDITED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH 2020

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

ANNUAL REPORT 2019-2020

CIN : U17116TN1996PTC036146

BOARD OF DIRECTORS

Sri.A. ILAVARASU
Managing Director
Smt. I. SUDHAA
Ms.I.SHILPAA
Director

BANKERS

Karur Vysya Bank Limited
Railway Feeder Road
Rajapalayam – 626 117

AUDITORS

M/s. Narayanasamy & Associates
Chartered Accountants
73D Kamaraj Nagar
Rajapalayam – 626 117

REGISTERED OFFICE & FACTORY

153- Srivilliputtur Road,
Rajapalayam – 626 117

FACTORY

S.F.No.33/1-A, Door No.100,
Srivilliputtur Road,
Padikasuvaithanpatti Village,
Rajapalayam

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
RAJAPALAYAM
NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Company will be held on Wednesday, the 14th December 2020 at the Registered Office of the Company at Door No.100, Srivilliputtur Road, Padikasuvaithanpatti Village, Rajapalayam - 626110, Virudhunagar District, at 10 A.M to transact the following business.

AGENDA

- 1 To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March 2020, the Balance Sheet as on that date together, Cash Flow statement for the year ended 31st March 2020 with the Directors' and Auditors' Report thereon.

By Order of the Board


A. ILAVARASU
CHAIRMAN & MANAGING DIRECTOR

Rajapalayam
20th November 2020

- NOTE
1. A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and such a person acting as proxy need not be a member of the company.
 2. The proxy form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2019-2020

To
The Members

Your directors have pleasure in presenting their Twenty Third Annual Report on the affairs of the company together with the audited statement of accounts for the year ended 31st March, 2020.

1. Financial Highlights

During the year under review, performance of your company as under:

(Rupees in Lakhs)

Particulars	Year ended 31st	Year ended
	March 2020	31st March 2019
Sales & Other operating income	13566.28	11901.78
Other Income	20.29	31.58
Total Income	13586.57	11933.36
Profit before Financial Cost, Depreciation and Taxation	1023.33	322.57
Less: Financial Cost	692.72	721.53
Operating profit before Preliminary exps., Depreciation & Taxation	330.61	-398.95
Less: Depreciation & Preliminary expenses written off	337.47	322.77
Less: Exceptional items	27.99	3.81
Less: Extra-ordinary items	-	-
Profit/(Loss) before Taxation	21.13	-717.91
Less:		
i) Tax expense	0.00	0.00
ii) Deferred Tax	-96.17	13.60
Profit/(Loss) after tax	117.31	-731.52
Add : Balance B/F from previous year	-649.49	82.02
Balance Profit / (Loss) C/F to next year	-532.18	-649.49

2. State of Company's Affairs and Future Outlook:

EXPORTS

Your directors report that the topline of the company has increased by about 14% from the corresponding previous year level. Export sales has too increased by around 8% from the previous year level. Textile fabrics and Garments vertical has performed much better as compared to the previous year in terms of profitability. Textile vertical is pulling down the profitability due to disparity in cotton and yarn prices and also due to higher overhead costs. Your directors are taking steps to reduce the overhead costs wherever possible. Cotton prices were supportive till the second quarter and from the third quarter of 2020-2021, cotton prices have started soaring. Yarn market is stable and your directors are confident of better results in the Textile vertical in the current year.

Production and Sales in the first quarter of FY 2020-21 had contracted considerably due to the outbreak of COVID 19 pandemic. Normal production activities have been resumed from the second quarter. But the risk of the spread of the Pandemic is very much present and the Company is taking necessary precautions to curtail the community spread among the staff and workers. Your directors are hopeful of maintaining the FY 2019-2020 trend in the current year.

WINDMILL

The Company has installed 330 KW (ENERCON) Wind Mills in the year 2005 and the annual generation is being adjusted in the power consumption. This year the value of power generated from the windmill was marginally lower by Rs.2.00 lakhs due to natural factors like low Wind velocity and poor grid availability.

**S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2019-2020**

FUTURE PLANS

The Company has started producing Cotton-Linen blended yarn which has started yielding results.

3. Amounts Transferred to Reserves:

The company has not transferred any amount to reserves during the year.

4. Dividend:

The Company has not declared any dividend during the year under audit.

5. Change in nature of business, if any:

There is no change in the nature of business during the year.

6. Changes in Share Capital, if any:

There is no change in the share capital of the Company during the year.

7. Material Changes between the date of the Board report and end of financial year.

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

8. Subsidiary Company:

The Company does not have any subsidiary as on 31st March 2020.

9. Statutory Auditor & Audit Report:

M/s. Narayanasamy & Associates, Chartered Accountants, Statutory Auditors of the Company (FRN No: 002401S) hold office until the conclusion of the Twenty Fourth Annual General Meeting. The Company has received a certificate from the statutory auditors to the effect that their appointment is within the limits prescribed.

10. Explanation to Auditor's Remarks:

1)The Auditors of the Company have pointed out in their Note No.27 that confirmation of balances due to/due from the company in respect of some of the parties has not been received which are being obtained.

2) The Auditors of the Company have pointed out that gratuity payable to employees is not provided as per Accounting Standard No: 15-Employee Benefits. In this connection it is stated that there are only very few employees who are eligible to receive gratuity as per the Payment of Gratuity Act 1972, as amended from time to time. Further the rate of attrition is very high and so the liability for gratuity won't be material. In view of this, it is deemed fit to account for the payment of gratuity as and when the liability arises. The company is having adequate liquidity to pay the gratuity liability as and when the same arises.

11. Details of directors or key managerial personnel:

The Managing Director and Director of the company continue in their respective offices.

12. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2020. There were no unclaimed or unpaid deposits as on March 31, 2020.

13.Conservation of energy, technology absorption, foreign exchange earnings & outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2019-2020

14. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15. Number of meeting of the Board:

The Board of Directors of the company met nine times on 3.4.19, 3.7.19, 13.8.19, 14.8.19, 28.9.19, 12.12.19, 17.2.20, 28.2.20 and 6.3.2020 during the year 2019-20.

16. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the profit of the company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis; and

v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Particulars of loans, guarantees or investments under section 186:

The company has not given any loan or guarantee to any person/company during the year 2019-20 under section 186 of the Companies Act, 2013.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of FORM MGT -9 is annexed.

20. Related Party Transactions:

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2019-20 in the prescribed format - AOC 2 has been enclosed with the report.

21. Risk Management Policy:

The Directors of the Company continuously assess the risk the company is exposed to which in their opinion threaten the existence of the company and take suitable preventive steps to mitigate the risk. In the opinion of the directors there are no perceivable risks threatening the existence of the company.

**S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2019-2020**

22. Cost Records

The Company is required to maintain records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

23. Internal Complaints Committee

Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013] has been formed under the Chairmanship of Mrs. I.Sudha, Director of the company and is active.

24. Acknowledgement

Your Directors take this opportunity to place on record their sincere thanks to M/s Karur Vysya Bank Limited, Rajapalayam, for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors,



A. ILAVARASU

CHAIRMAN & MANAGING DIRECTOR

Rajapalayam

20th November 2020

**S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED
ANNEXURE A TO DIRECTORS REPORT CI.(13)**

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

Particulars	
a) Conservation of Energy:	
Steps taken for conservation	Power capacitors are provided to ensure saving in energy. All the machinery parts are replaced on regular basis to improve the productivity and to reduce the power consumption.
Steps taken for utilizing alternate sources of energy	As a measure of utilizing alternate source of energy, the company has installed one wind mill with a capacity of 330 KWH
Capital investment on energy conservation Equipments	Investment in wind mill Rs.56.00 lakhs as on 31st March 2020.
b) Technology Absorption :	
Efforts made for technology absorption Benefits derived	Nil
Expenditure on Research & Development, if any	Nil
Details of technology imported, if any	Nil
Year of import	Nil
Whether imported technology fully absorbed	Nil
Areas where absorption of imported technology has not taken place, if any	Nil
c) Foreign Exchange Earnings/ Outgo:	
Earnings	Rs. 46,22,83,923
Outgo	Rs. 30,37,21,762

For and on behalf of the Board of Directors

Rajapalayam
20th November 2020


A. ILAVARASU
CHAIRMAN & MANAGING DIRECTOR

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
ANNEXURE TO DIRECTORS REPORT
FORM NO. AOC -2

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis

1

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	A. Ilavarasu, Mg. Dr
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction	Vide details in Note No.30
e)	Date of approval by the Board	3.4.2019
f)	Amount paid as advances, if any	Vide details in Note No.30

2

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	I Sudhaa, Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction	Vide details in Note No.30
e)	Date of approval by the Board	3.4.2019
f)	Amount paid as advances, if any	Vide details in Note No.30

3

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	I.Shilpa, Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction	Vide details in Note No.30
e)	Date of approval by the Board	3.4.2019
f)	Amount paid as advances, if any	Vide details in Note No.30

4

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shilpa Impex Pte Ltd. - A Ilavarasu, Mg. Dr. is interested
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Vide details in Note No.30
e)	Date of approval by the Board	3.4.2019
f)	Amount paid as advances, if any	Vide details in Note No.30

For and on behalf of the Board of Directors

Rajapalayam
20th November 2020


A. ILAVARASU
CHAIRMAN & MANAGING DIRECTOR

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s S.A. AANANDAN SPINNING MILLS PRIVATE LIMITED**

1 Report on the Financial Statements

We have audited the accompanying financial statements of M/s S.A. AANANDAN SPINNING MILLS PRIVATE LIMITED ("the Company"), as of 31st March, 2020, which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2 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 Companies Act, 2013 ('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, 2020, its Profit and cash flows for the year ended on that date subject to non provision of gratuity, the financial impact of which can not be ascertained in the absence of actuarial valuation.

3 Basis for opinion

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

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

4 Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

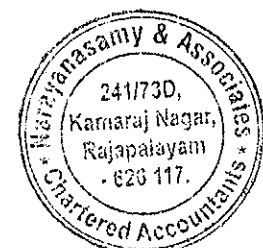
5 Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s S.A. AANANDAN SPINNING MILLS PRIVATE LIMITED**

6 Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

7 Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

> Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

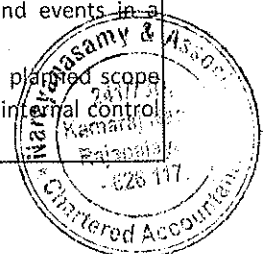
> Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

> Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

> Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

> Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



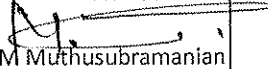
**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s S.A. AANANDAN SPINNING MILLS PRIVATE LIMITED**

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8 Report on Other Legal and Regulatory Requirements

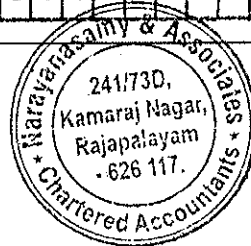
- (i) As required by the Companies (Auditor' Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure A, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (ii) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of 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".
- (g) With respect to the other matters to be included in the Auditors' 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 no pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
- iii) The company is not required to transfer any amount to the Investor Education and protection Fund during the year.

For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M Muthusubramanian
Partner
M.No.22863

Rajapalayam
20th November 2020

UDIN: 20022863 A A A W P 6945

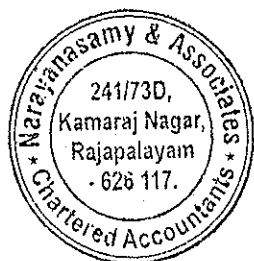


S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The Company has a regular program of verifying fixed assets every year which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
c) The title deeds of immovable properties are held in the name of the Company.
- ii) The physical verification of inventories has been conducted by the management at reasonable intervals. The discrepancies noticed on verification between the physical stock and the book records were not material and the same have been properly dealt with in the accounts.
- iii) According to information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013.
- iv) According to information and explanation given to us, the company has not given any loan, made any investment, furnished any guarantee or provided any security during the year.
- v) According to information and explanation given to us, the company has not advanced any loan or has made any investment or has provided any guarantees and security to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013.
- vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, GST, Customs Duty, Cess, Provident Fund and Employees State Insurance and other statutory dues applicable to it. According to the information and explanation given to us, there are no undisputed amounts payable in respect of Income Tax, GST, Customs Duty and Cess were in arrears as at 31.03.2020 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there are no dues of Income tax, GST and other statutory dues which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks and Financial Institutions .
- ix) The Company has not raised any money by way of initial public offer or further public offers including debt instruments during the year and hence reporting on utilization of such money does not arise. The company has not availed any fresh term loans during the year.
- x) Based upon the audit procedures performed and information and explanation given by the management we report that no fraud on or by the Company by its officers or employees has been noticed or reported during the year ended 31st March 2020.
- xi) According to information and explanation given to us, managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



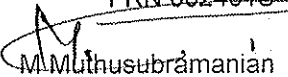
S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

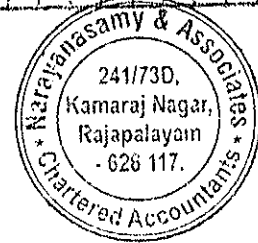
- xii) The Company is not a Nidhi Company and as such this clause of the Order is not applicable.
- xiii) According to information and explanations given to us and based upon the audit procedures performed, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The company has not made private placement of shares/debentures during the year.
- xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them.
- xvi) The Company is not required to be registered under Section 45 IA of the RBI Act.

For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M. Muthusubramanian
Partner
M.No.22863

Rajapalayam
20th November 2020

UDIN: 20022863AAAAP6945



S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED

Annexure B

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

We have audited the Internal Financial controls over financial reporting of M/s S.A. AANANDAN SPINNING MILLS PRIVATE LIMITED("the Company"), as of 31st March, 2020 in conjunction with the audit of the financial statements of the Company for the year ended on that date.

1 Managements' Responsibility for Internal Financial Controls

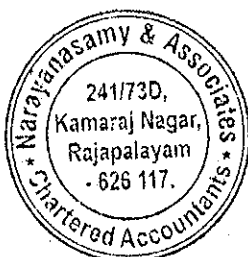
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

2 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 issued by the Institute of Chartered Accountants of India. Those Standards and 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 were 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 includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk, whether 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Annexure B

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

3 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 assets that give a true and fair view and are free from material misstatement

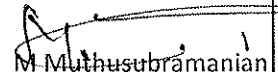
4 Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

5 Opinion

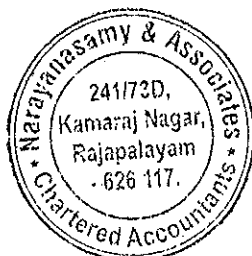
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria 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 M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M. Muthusubramanian
Partner
M.No.22863

Rajapalayam
20th November 2020

UDIN: 200022863A A A AWP/69/15



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(CONSOLIDATED)

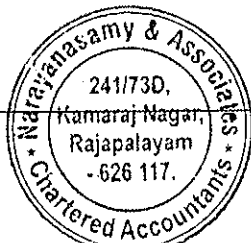
Balance Sheet as on 31st March 2020

Particulars		Note No.	As at 31 March, 2020		As at 31 March, 2019	
			Rs.	Rs.	Rs.	Rs.
A	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	1	9,77,84,600		9,77,84,600	
	(b) Reserves and surplus	2	3,77,82,035		2,60,51,241	
	(c) Money received against share warrants	-	-	13,55,66,635	-	12,38,35,841
2	Share application money pending allotment					
3	Non-current liabilities					
	(a) Long-term borrowings	3	6,14,71,153		8,77,95,808	
	(b) Deferred tax liabilities (net)	4	-		-	
	(c) Other long-term liabilities	5	16,62,000		16,62,000	
	(d) Long term Provisions	6	-	6,31,33,153	-	8,94,57,808
4	Current liabilities					
	(a) Short-term borrowings	7	46,94,69,217		47,63,35,729	
	(b) Trade payables	8	-		-	
	(i) Total outstanding dues of micro enterprises and small enterprises		-		-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.		10,12,36,864		4,96,83,795	
	(c) Other current liabilities	9	3,35,72,433		5,81,98,844	
	(d) Short-term provisions	10	-	60,42,78,514	-	58,42,18,368
	TOTAL			80,29,78,303		79,75,12,017
B	ASSETS					
1	Non-current assets					
	(a) Property, Plant & Equipment					
	(i) Tangible assets	11	25,01,25,597		28,25,65,881	
	(ii) Capital work in progress		-		-	
	(b) Deferred Tax Asset	12	2,09,35,640		1,13,18,287	
	(c) Long-term loans and advances	13	71,78,518		1,27,11,384	
	(d) Other Non-current assets	14	-		-	
	(e) Other Non-current investments	15	1,40,000	27,83,79,755	1,37,300	30,67,32,852
2	Current assets					
	(a) Inventories	16	39,87,64,107		39,68,61,455	
	(b) Trade receivables	17	8,46,83,447		5,58,25,593	
	(c) Cash and cash equivalents	18	1,35,44,583		1,23,19,193	
	(d) Short-term loans and advances	19	2,45,15,625		2,46,25,144	
	(e) Other current assets	20	30,90,786	52,45,98,548	11,47,780	49,07,79,165
	TOTAL			80,29,78,303		79,75,12,017

As per our report of even date annexed hereto

For Narayanasamy & Associates
Chartered Accountants
FRN 002401S

M. Muthusubramanian
Partner
M.No.22863
UDIN :
Place : Rajapalayam
Date : 20th November 2020.



For and on behalf of the Board
A. ILAVARASU
Managing Director

I. SUDHAA
Director

J. Sudhaa

UDIN: 200222863AAAAP6945

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March, 2020

(CONSOLIDATED)

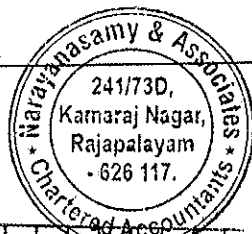
Particulars		Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations	21	1,35,66,27,973	1,19,01,77,674
	Total		1,35,66,27,973	1,19,01,77,674
2	Expenses			
	(a) Cost of materials consumed	23.a	88,89,94,667	74,75,07,242
	(b) Purchases of stock-in-trade	23.b	14,12,58,622	20,55,93,513
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.c	(1,27,98,369)	(9,02,10,693)
	(d) Employee benefits expense	24	9,90,15,049	12,52,77,056
	(e) Other expenses	26	13,98,53,065	17,29,11,150
	Total		1,25,63,23,034	1,16,10,78,268
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)		10,03,04,939	2,90,99,406
4	Finance costs	25	6,92,72,080	7,21,52,550
5	Depreciation and amortisation expense	11	3,37,46,940	3,22,77,053
6	Other income	22	20,28,554	31,57,889
7	Profit / (Loss) before exceptional and extraordinary items and tax		(6,85,527)	(7,21,72,308)
8	Exceptional items	26A	27,98,970	3,81,485
9	Profit / (Loss) before extraordinary items and tax		21,13,443	(7,17,90,823)
10	Extraordinary items		-	-
11	Profit / (Loss) before tax		21,13,443	(7,17,90,823)
12	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax Liability/(Asset)		(96,17,353)	13,60,321
			(96,17,353)	13,60,321
13	Profit / (Loss) from continuing operations		1,17,30,795	(7,31,51,144)
B	DISCONTINUING OPERATIONS			
14	Profit / (Loss) for the year		1,17,30,795	(7,31,51,144)
15	Earnings per share (of Rs.100/- each):			
	(a) Basic			
	(i) Continuing operations		12.00	(84.37)
	(ii) Total operations		12.00	(84.37)

As per our report of even date annexed hereto
For Narayanasamy & Associates
Chartered Accountants
FRN 002401S

M. Muthusubramanian
Partner
M.No.22863
UDIN :
Place : Rajapalayam
Date : 20th November 2020

For and on behalf of the Board
A. ILAVARASU
Managing Director

I. SUDHAA
Director



UDIN: 20022863AAAAWP6945

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	31st March 2020		31st March 2019	
	Rs.	Rs.	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before taxation and extraordinary items		21,13,443		(7,17,90,823)
Adjustment for :				
Depreciation	3,37,46,940		3,22,77,053	
Pre Operative expenses written off	-		-	
Interest income	(7,62,950)		(11,03,844)	
Profit on sale of assets	(27,98,970)	3,01,85,020	(3,81,485)	3,07,91,724
Operating profit before working capital changes		3,22,98,463		(4,09,99,099)
(Increase)Decrease in Sundry Debtors	(19,02,652)		(6,39,55,037)	
(Increase) Decrease in Inventories	(2,88,57,854)		10,32,38,450	
Increase(Decrease) in Current Liabilities	2,00,60,146		2,93,41,813	
(Increase) Decrease in Loans and advances	(18,33,487)	(1,25,33,847)	1,66,83,389	8,53,08,615
Cash generated from operations		1,97,64,616		4,43,09,516
Income taxes paid		-		-
sub-total		1,97,64,616		4,43,09,516
Cash flow from extraordinary item		-		-
Net Cash from operating activities		1,97,64,616		4,43,09,516
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(24,28,950)		(9,44,37,912)	
Sale Proceeds of assets	39,21,265		20,00,720	
Increase in long term loans & advances	55,30,166		(40,21,868)	
Share capital	-		1,50,00,000	
Interest received	7,62,950		11,03,844	
Net cash from investing activities		77,85,431		(8,03,55,216)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings		(2,63,24,656)		3,73,28,946
Net cash used in financing activities		12,25,391		12,83,246
Cash and cash equivalents at beginning of period		1,23,19,193		1,10,35,947
Cash and cash equivalents at end of period		1,35,44,583		1,23,19,193

As per our report of even date annexed hereto

A. ILAVARASU
 Managing Director

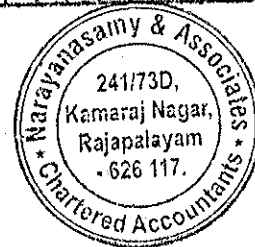
I. SUDHAA
 Director

Rajapalayam
 20th November 2020

For Narayanasamy & Associates
 Chartered Accountants
 F R No.002401S

M. Muthusubramanian
 Partner
 M.No.22863

UDIN: 20022863AAAAWPGALS



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

a)	Basis of Preparation of Financial Statements	
	The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the applicable accounting standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.	
b)	FIXED ASSETS	
	i)	Fixed assets are stated at historical cost of acquisition, installation, commissioning less accumulated depreciation and net of duty concessions availed under Export Promotion Capital Goods Scheme. Assets purchased from M/s. Unnamalai Spinning Mills are stated at cost to the Company.
	ii)	Land is re-valued by Rs.9,10,00,000 based on a Valuation obtained from a Registered Valuer and the same is credited to revaluation reserve.
	iii)	Depreciation is charged on Written Down Value Method on all the rates assets as per Part C of Schedule II of the Companies Act, 2013.
	iv)	Depreciation on additions/deletions is calculated pro-rata from/to the month of addition/deletions.
c)	INVENTORY	
	i)	Raw materials (Cotton & Yarn) At cost on FIFO method
	ii)	Finished goods (Yarn & fabrics) At lower of Market rate and net realizable value
	iii)	Finished goods (Readymade garments & fabrics) At lower of Market rate and net realizable value
	iv)	Stock in process At cost
	v)	Stores & spares At cost
	vi)	Waste cotton At market rate
	vii)	Depot stock At cost
d)	SALES	
	Sales as reported are exclusive of GST, Insurance and Transportation charges and net of trade discounts, if any. Export sales are reported at CIF Value.	
e)	RETIREMENT BENEFITS	
	1. The company has not provided for Gratuity to its employees and has been accounting the same under "Pay as you go basis" method. The company has not ascertained the liability towards under actuarial basis as stipulated under the Accounting Standard No.15. The company does not have any approved super annuation fund to its employees.	
	2. The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government.	
	3. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided.	
f)	ACCOUNTING CONCEPT	
	Income and Expenditure have been identified based on the accrual concept of accounting.	
g)	CONTINGENT LIABILITY & CONTINGENT ASSETS	
	Contingent liabilities are not generally provided for in the accounts and are shown separately in the notes on accounts. Contingent assets are neither recognized nor disclosed in the financial statements.	

S.A.AANANDAN SPINNING MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

h)	CURRENT AND DEFERRED TAX
	Provision for current tax is made after taking into account various benefits admissible under the provisions of the Income-tax Act, 1961.
	Deferred tax resulting from "timing difference" between the book and taxable profit is accounted for using the tax rates and laws that have been enacted as on the balance sheet date. Carry over losses are not recognized while ascertaining the deferred tax in view of uncertainty. In the opinion of the management, the provision of deferred tax will not crystallize into liability.
i)	FOREIGN CURRENCY TRANSACTIONS
	<ol style="list-style-type: none"> 1. Transactions denominated in the foreign currencies are accounted at the exchange rate prevailing at the time of transaction. 2. Exchange difference between the applicable rates on the date of the transactions, if any, and the rates actually realized has been included in the respective revenue or expense head, as the case may be. 3. Non monetary foreign currency items are carried at cost. 4. All monetary items denominated in foreign currency are accounted as per the rates prevailing on the balance sheet date and the exchange difference if any are transferred to profit and loss account.
j)	BORROWING COST
	The borrowing costs that are directly attributable to the cost of acquisition of fixed assets of the company have been capitalized as part of the cost of these assets as provided under Accounting Standard No.16
k)	IMPAIRMENT OF ASSETS
	An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
l)	EARNINGS PER SHARE
	Net Profit after tax is divided by the weighted average number of Equity shares outstanding as on Balance Sheet date.
m)	Liability to MSME entities
	The company categorises the amounts payable to MSME entities in respect of supplies effected by the respective entity only on the basis of necessary declaration furnished by the supplier. If no declaration is received before the finalization accounts, the same is disclosed as "Liability payable to others" and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are not applied in such cases.

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(CONSOLIDATED)

Notes forming part of the financial statements

Particulars		As at 31st March 2020	As at 31st March 2019		
		Rs.	Rs.		
1. SHARE CAPITAL					
Particulars	As at 31 March, 2020		As at 31 March, 2019		
	Number of shares	Rs	Number of shares	Rs	
(a) Authorised					
Equity shares of Rs.100/- each with voting rights	10,00,000	10,00,00,000	10,00,000	10,00,00,000	
(b) Issued					
Equity shares of Rs.100/- each with voting rights	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(c) Subscribed and fully paid up					
Equity shares of Rs.100/- each with voting rights	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(d) Subscribed but not fully paid up					
	-	-	-	-	
Total	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Particulars	Opening Balance	Fresh issue	Bonus Issue	Other changes	Closing Balance
	Rs.	Rs.	Rs.	Rs.	Rs.
<u>Equity shares with voting rights</u>					
Year ended 31 March, 2020					
- Number of shares	9,77,846	-	-	-	9,77,846
- Amount (Rs.100/-Per Share)	9,77,84,600	-	-	-	9,77,84,600
Year ended 31 March, 2019					
- Number of shares	8,27,846	1,50,000	-	-	9,77,846
- Amount (Rs.100/-Per Share)	7,77,84,600	1,50,00,000	-	-	9,27,84,600
(ii) Equity shares carry equal voting rights in proportion to the holdings. Equity shares do not have any restriction on the quantum of dividend. The company do not have any preference share capital.					
(iii) The company is neither a holding nor a subsidiary company.					
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares / Name of shareholder	As at 31 March, 2020		As at 31 March, 2019		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
<u>Equity shares with voting rights</u>					
Shri. A. Ilavarasu	6,19,873	63.39%	6,19,873	63.39%	
Shilpa Impex Private Limited	3,53,913	36.19%	3,53,913	36.19%	
(v) As at 31 March, 2020 no shares were reserved for issue under options. (As at 31 March, 2019 .. Nil shares)					
(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Nil					
(vii) Details of calls unpaid				Nil	Nil
(viii) Details of forfeited shares				Nil	Nil
2. RESERVES & SURPLUS					
(a) Surplus / (Deficit) in Statement of Profit and Loss					
Opening balance		(6,49,48,760)		82,02,385	
Add: Profit / (Loss) for the year		1,17,30,795		(7,31,51,144)	
Closing balance		(5,32,17,965)		(6,49,48,759)	
Land revaluation reserve		9,10,00,000		9,10,00,000	
Total		3,77,82,035		2,60,51,241	

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(CONSOLIDATED)

Notes forming part of the financial statements

Particulars	As at 31st March 2020	As at 31st March 2019			
	Rs.	Rs.			
3. LONG TERM BORROWINGS					
(a) Term loans from M/s Karur Vysya Bank Ltd., Rajapalayam					
Secured	4,70,25,056	6,44,66,311			
Unsecured	-	-			
Total (a)	4,70,25,056	6,44,66,311			
(b) Vehicle Loan from M/s HDFC Bank Ltd					
Secured	-	3,10,106			
Unsecured	-	-			
Total (b)	-	3,10,106			
(c) Vehicle Loan from M/s Daimler Financial Services India P Ltd.,					
Secured	7,19,597	16,77,062			
Unsecured	-	-			
Total (c)	7,19,597	16,77,062			
(d) Loans and advances from related parties					
Secured	-	-			
Unsecured	1,37,26,500	2,13,42,329			
Total (d)	1,37,26,500	2,13,42,329			
Total (a+b+c+d)	6,14,71,153	8,77,95,808			
3.(i) Details of terms of repayment for the long-term borrowings and security provided in respect thereof.					
Particulars	Terms of repayment and security	As at 31 March, 2020		As at 31 March, 2019	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
a) Term Loan					
Term loans from Karur Vysya Bank Ltd-Rajapalayam					
Term Loan 0002		-		40,96,036	
Term Loan 0004	Vide para 3.(i) below	-		24,87,767	
Term Loan 0005		3,42,532		30,45,612	
Term Loan 2080		4,66,82,524		5,48,36,896	
Total(a)		4,70,25,056		6,44,66,311	
b) Vehicle Loan					
i) M/s HDFC Bank Limited	Vide para 3.(ii) below	-	-	3,10,106	-
ii) M/s Daimler Financial Services India P Ltd.,		7,19,597	-	16,77,062	-
Total(b)		7,19,597		19,87,168	
c) Loans and advances from related parties:					
From the Directors of the Company		-	1,37,26,500	-	2,13,42,329
Total (c)		-	1,37,26,500	-	2,13,42,329
Total(a+b+c)		4,77,44,653	1,37,26,500	6,64,53,479	2,13,42,329

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(CONSOLIDATED)

Notes forming part of the financial statements

Particulars	As at 31st					
	March 2020	March 2019				
	Rs.	Rs.				
3.(i)(a) All the term loans availed from M/s Karur Vysya Bank Ltd., Rajapalayam are secured by first charge on the entire fixed assets created/ to be created out of the finance from the above bank and are personally guaranteed by all the directors of the company.						
3(i)(b) The directors of the company namely Mr.A.lavasrasu and Mrs. I.Sudhaa have given house properties in various locations as collateral securities towards the above term loans.						
3(i)(c) The company has not defaulted in repayment of above term loan. The terms of repayment of above loans and interests are given below:						
3(ii) Vehicle Loans availed from M/s Daimler Financial Services India P Ltd. and M/s HDFC Bank Ltd. are secured by hypothecation of concerned vehicles. The terms of repayment of above loans and interests are given below:						
Year	KVB 0002	KVB 0004	KVB 0005	HDFC BANK	DFSIPL	
2020-2021	40,96,036	24,87,767	27,03,080	3,10,106	9,46,095	
2021-2022	-	-	3,42,532	-	7,67,800	
TOTAL	40,96,036	24,87,767	30,45,612	3,10,106	17,13,895	
Interest payable at monthly rests at	6 months LIBOR+4.50% with reset at the end of every six months			Interest at 9.40% payable at monthly rests.	Interest at 9.065% payable at monthly rests.	
Year	KVB 2080					
2020-2021	72,00,000	Interest is payable at 11.90% at monthly rests				
2021-2022	84,00,000					
2022-2023	84,00,000					
2023-2024	96,00,000					
2024-2025	1,20,00,000					
2025-2026	82,82,524					
Total	5,38,82,524					
3.(iii) For the current maturities of long-term borrowings, refer items (a) and (b) in Note 9 Other current liabilities.						
3.(iv). The loans from related parties are repayable on demand and does not carry any interest.						
Note: The Company has not defaulted in the repayment of loans and interest to Bank.						
4.DEFERRED TAX LIABILITY:						
5.OTHER LONG TERM LIABILITIES						
Trade deposits received					16,62,000	16,62,000
Total					16,62,000	16,62,000
6.LONG TERM PROVISIONS:						
7.SHORT TERM BORROWINGS						
(a) Loans repayable on demand						
ii) From Karur Vysya Bank Ltd., Rajapalayam.						
Secured						
Cash Credit					20,31,63,038	27,26,95,597
Export Packing Credit					3,99,34,070	4,98,53,166
Packing Credit in Foreign Currency					22,63,72,109	15,37,86,966
Unsecured						
Total					46,94,69,217	47,63,35,729

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

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Notes forming part of the financial statements

Particulars	As at 31st	As at 31st	
	March 2020	March 2019	
	Rs.	Rs.	
7(i) Details of security for the secured short-term borrowings:			
Particulars	Nature of security	Rs.	Rs.
Loan repayable on demand from KVB	VIDE DETAILS		
Cash Credit		20,31,63,038	27,26,95,597
Export Packing Credit		3,99,34,070	4,98,53,166
Packing Credit in Foreign Currency		22,63,72,109	15,37,86,966
		46,94,69,217	47,63,35,729
7(i)(a) Cash credit limits from M/s Karur Vysya Bank Limited, Rajapalayam, is secured by hypothecation of raw materials, finished goods, Spares, consumables & Stores and receivables. The limit is additionally secured by first charge on the entire fixed assets created/to be created out of the finance from the above bank.			
Interest is payable as under:			
1) Cash credit limit at 13.50%(One year MCLR 9.55%+3.95% p.a)			
2) PCFC/PCL/EBD/FBP : PCFC/EBD- LIBOR+2.00% & PCL/FBP 11.15(One year MCLR 9.55%+1.60% p.a)			
3) FBN/EBD(LC Bills): EBD LIBOR+2.00% & FBN 11.15(One year MCLR 9.55%+1.60% p.a)			
The loans are personally guaranteed by all the directors of the company. The directors of the company namely Mr.A.I LAVARASU and Mrs. I.SUDHAA have given certain immovable properties in various locations as collateral securities towards the credit facilities sanctioned by M/s. Karur Vysya Bank Limited, Rajapalayam. The Company has not defaulted in servicing of interest.			
Note: The Company has not defaulted in the repayment of loans and interest.			
8. TRADE PAYABLES:			
Trade payables:			
a) For Purchase of Raw material and Stores			
i) Due to Micro and Small Enterprises (Pl. refer Note No.33)			
ii) Other parties			
b) For Others			
		10,12,36,864	4,96,83,795
		10,12,36,864	4,96,83,795
9. OTHER CURRENT LIABILITIES:			
(a) Current maturities of long-term debt		1,77,43,084	3,55,34,505
(b) Interest accrued and due on borrowings		6,33,320	7,26,579
(c) Other payables			
(i) Payables for statutory liabilities		8,74,224	49,45,183
(ii) Expenses		1,10,75,200	1,62,90,460
(iii) Others		88,968	86,233
(iv) Advance from parties		31,57,637	6,15,884
	Total	3,35,72,433	5,81,98,844
Note : Current maturities of long-term debt			
(A) Term Loan - M/s Karur Vysya Bank Ltd.			
Term Loan 0002		40,96,036	1,73,41,740
Term Loan 0004		24,87,767	1,05,31,560
Term Loan 0005		27,03,080	27,03,080
Term Loan 2080		72,00,000	36,00,000
	Total (A)	1,64,86,883	3,41,76,380
(B) Term Loan -HDFC Bank Ltd.,		3,10,106	4,93,733
	Total (B)	3,10,106	4,93,733
(C) Term Loan - Dalmier Financial Services P Ltd.,		9,46,095	8,64,392
	Total (C)	9,46,095	8,64,392
10. SHORT TERM PROVISIONS:			
(a) Provision - Others:			
(i) Provision for tax			
		-	-
	Total	-	-

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11 PROPERTY, PLANT & EQUIPMENT:

A.	Tangible assets	YEAR	Gross block			Accumulated depreciation and impairment			Net Block		
			Balance as at 1 April, 2019	Additions	Disposals/Transfers	Balance as at 31 March, 2020	Balance as at 1 April, 2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2020	Balance as at 31 March, 2019
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
	(a) Freehold Land	2019-2020	9,18,52,447	-	-	9,18,52,447	-	-	-	9,18,52,447	9,18,52,447
		2018-2019	9,18,52,447	-	-	9,18,52,447	-	-	-	9,18,52,447	9,18,52,447
	(b) Buildings	2019-2020	8,95,09,129	6,62,200	-	9,01,71,329	5,64,14,557	37,76,010	6,01,90,567	2,99,80,762	3,30,94,572
		2018-2019	8,36,56,595	58,52,534	-	8,95,09,129	5,21,67,534	42,47,023	5,64,14,557	3,30,94,572	3,14,89,061
	(c) Plant and Equipment	2019-2020	45,58,08,315	13,51,205	46,30,188	45,25,29,332	31,45,15,629	2,53,59,735	33,57,36,257	11,67,93,075	14,12,92,686
		2018-2019	38,40,58,278	7,55,44,016	37,93,979	45,58,08,315	29,56,40,740	2,10,49,633	31,45,15,629	14,12,92,686	8,84,17,538
	(d) Office Equipments and Furniture & Fixtures	2019-2020	2,30,80,903	4,15,545	32,000	2,34,64,448	1,38,12,065	28,92,779	1,67,04,844	67,59,604	92,68,838
		2018-2019	1,16,42,732	1,14,38,171	-	2,30,80,903	98,69,007	39,43,058	1,38,12,065	92,68,838	17,73,725
	(e) Windmill	2019-2020	55,99,959	-	-	55,99,959	42,31,685	2,46,137	44,77,822	11,22,137	13,68,274
		2018-2019	55,99,959	-	-	55,99,959	39,31,558	6,64,496	45,96,054	10,03,905	16,68,401
	(f) Vehicles	2019-2020	2,80,89,846	16,03,191	39,52,389	2,41,37,457	2,24,00,781	14,72,279	2,05,19,885	36,17,572	56,89,065
		2018-2019	2,64,86,655	-	-	2,80,89,846	1,96,63,569	27,37,212	2,24,00,781	56,89,065	68,23,086
	Total	2019-2020	69,39,40,599	24,28,950	86,14,577	68,77,54,972	41,13,74,717	3,37,46,940	43,76,29,375	25,01,25,597	28,25,65,882
		2018-2019	60,32,96,666	9,44,37,912	37,93,979	69,39,40,599	38,12,72,408	3,22,77,053	41,17,39,086	28,22,01,513	22,20,24,258

Depreciation and amortisation relating to continuing operations:

Particulars	Balance as at 31st March 2020	Balance as at 31st March 2019
Depreciation and amortisation for the year on tangible assets	3,37,46,940	3,22,77,053
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	3,37,46,940	3,22,77,053

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

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	Particulars	As at 31st	As at 31st
		March 2019	March 2018
		Rs.	Rs.
12	DEFERRED TAX ASSET		
	Depreciation & Related Items	1,05,54,212	1,13,18,287
	Expenses disallowed under 43B of the Income-tax 1961	-	-
	Un-Absorbed Depreciation loss available for set-off	1,03,81,428	-
	Net Deferred tax Asset	2,09,35,640	1,13,18,287
	(Decrease)/Accretion in Deferred Tax Asset	96,17,353	-13,60,221
	Deferred Tax Asset provided during the year	96,17,353	-13,60,221
13	LONG TERM LOANS & ADVANCES:		
	(a) Capital advances - Unsecured, considered good	-	-
	(b) Security deposits - Tamilnadu generation & Distribution Corporation Limited (TANGEDCO) and other Government Departments -Secured and Considered Good	71,78,518	1,27,11,384
	Total	71,78,518	1,27,11,384
14	OTHER NON CURRENT ASSETS:	-	-
15	NON CURRENT INVESTMENT:		
	Investments-at cost:		
	a) 14,000 Equity shares of face value Rs.10/- per share in Ushdev Engitech Limited at Cost(13,730 equity shares of Rs.10/- each as on 31st March 2019)	1,40,000	1,37,300
	Total	1,40,000	1,37,300
16	INVENTORIES:		
	(a) Raw materials	5,76,06,404	6,86,83,465
	(b) Work-in-progress	9,48,36,680	10,19,49,254
	(c) Finished goods	11,82,35,565	12,61,42,873
	(d) Readymade garments & Fabrics	10,35,45,299	7,45,03,386
	(e) Waste	1,88,15,860	1,65,14,246
	(f) Depot Stock	34,62,645	69,87,921
	(g) Stores & spares	22,61,654	20,80,310
	Total	39,87,64,107	39,68,61,455
	Note: Details of inventory of work-in-progress		
	Cotton and yarn	9,48,36,680	10,19,49,254
	Total	9,48,36,680	10,19,49,254
	Note: For mode of valuation, refer note no (c) of Significant accounting policies.		
17	TRADE RECEIVABLES:		
	a)Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good		
	Unsecured, considered good	20,23,801	6,60,222
	Doubtful	-	-
		20,23,801	6,60,222
	Less: Provision for doubtful trade receivables	-	-
		20,23,801	6,60,222
	b) Other Trade receivables		
	Secured, considered good		
	Unsecured, considered good	8,26,59,646	5,51,65,371
	Doubtful		
		8,26,59,646	5,51,65,371
	Less: Provision for doubtful trade receivables	-	-
		8,26,59,646	5,51,65,371
	Total	8,46,83,447	5,58,25,593
18	CASH AND CASH EQUIVALENTS:		
	(a) Cash on hand	76,12,743	64,05,757
	(b) Cheques, drafts in hand	-	-
	(c) Balances with banks		
	(i) In current accounts	4,15,840	3,27,436
	(ii) In deposit accounts	55,16,000	55,86,000

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	Particulars	As at 31st March 2019	As at 31st March 2018
		Rs.	Rs.
19	SHORT TERM LOANS & ADVANCES:		
	(a) Prepaid insurance and Bank Charges recoverable	4,26,359	95,541
	(b) Balances with government authorities		
	Unsecured, considered good		
	(i) TDS and Advance Tax	7,61,568	7,79,793
	(ii) GST/VAT Refundable	59,68,816	1,02,37,613
	(c) Advance for Raw materials, Stores & others		
	Unsecured, considered good	39,20,189	55,07,921
	(d) Loans & Advances to Employees		
	Unsecured, considered good	48,21,199	10,82,203
	(e) Other Advances - Trade	86,17,494	69,22,073
	Total	2,45,15,625	2,46,25,144
20	OTHER CURRENT ASSETS:		
	(a) Accruals		
	(i) Duty drawback receivable	19,49,217	2,73,746
	(ii) Interest accrued but not received	11,41,569	8,74,034
	Total	30,90,786	11,47,780

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Notes forming part of the financial statements

(CONSOLIDATED)

	Particulars	For the year	For the year
		ended 31st March	ended 31st March
		2020	2019
		Rs.	Rs.
21	REVENUE FROM OPERATIONS:		
(a)	Sale of products (Refer Note (i) below)	1,34,57,75,588	1,18,17,72,213
		1,34,57,75,588	1,18,17,72,213
(b)	<u>Other Operating Income</u>		
	Value of Power generated from Wind Mill	24,38,095	26,37,266
	Yarn Conditioning charges	23,431	2,98,011
	Duty Drawback Credit	83,90,859	54,70,183
	Total	1,35,66,27,973	1,19,01,77,673
(i)	Sale of products comprises		
	<u>Manufactured and Traded Goods</u>		
	<u>Yarn, Fabrics and Readymade Garments Sales</u>		
	<u>Direct Sales</u>		
	- Within state	49,30,71,223	25,55,54,307
	- Other State & Depot Sales	13,52,53,692	22,69,30,110
	- Export	47,03,52,402	43,55,00,064
	Sale of cotton	3,05,33,887	4,56,45,486
	Waste cotton	2,85,57,750	2,94,12,438
	Textile readymade garments & fabrics	18,80,06,634	18,87,29,808
	Total	1,34,57,75,588	1,18,17,72,213
22	OTHER INCOME:		
(a)	Interest income (Refer Note (i) below)	7,62,950	11,03,844
(b)	Other non-operating income (Refer Note(ii) below)	12,65,604	20,54,045
	Total	20,28,554	31,57,889
(i)	<u>Interest income comprises:</u>		
	a) Interest from Tamilnadu Generation & Distribution Corporn.Ltd.,(TDS Rs.44,446/-)	4,65,566	7,12,161
	c) Interest from Bank Deposit (TDS Rs.29,849/-)	2,97,384	3,91,683
	Total (a)	7,62,950	11,03,844
(ii)	<u>Other non-operating income comprises:</u>		
	a) Miscellaneous income	3,87,684	12,66,188
	b) Scrap sales	-	10,883
	c) Lincense sales	-	1,38,150
	d) Discount received	8,77,920	6,38,824
	Total (b)	12,65,604	20,54,045
	Total (a+b)	20,28,554	31,57,889
23.a	COST OF MATERIALS CONSUMED:		
	Opening stock	6,86,83,464	9,34,59,391
	Add: Purchases	87,79,17,607	72,27,31,315
		94,66,01,071	81,61,90,706
	Less: Closing stock	5,76,06,404	6,86,83,464
	Cost of material consumed	88,89,94,667	74,75,07,242
23.b	Purchases of Readymade Garments & Fabrics	14,12,58,622	20,55,93,513

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	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
		Rs.	Rs.
23.c	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE:		
	<u>Inventories at the end of the year:</u>		
	Finished goods -Yarn	11,82,35,565	12,61,42,873
	Readymade garments & Fabrics	10,35,45,299	7,45,03,386
	Waste cotton	1,88,15,860	1,65,14,246
	Work-in-Progress	9,48,36,680	10,19,49,254
	Depot stock	34,62,645	69,87,921
		33,88,96,049	32,60,97,680
	<u>Inventories at the beginning of the year:</u>		
	Finished goods - Yarn	12,61,42,873	12,17,98,020
	Readymade garments & Fabrics	7,45,03,386	-
	Waste cotton	1,65,14,246	1,96,71,297
	Work-in-Progress	10,19,49,254	9,38,94,660
	Depot stock	69,87,921	5,23,010
		32,60,97,680	23,58,86,987
	Net (increase) / decrease	(1,27,98,369)	(9,02,10,693)
	<u>Details of Finished Goods at the end of the year</u>		
	Yarn	12,16,98,210	13,31,30,794
	Total	12,16,98,210	13,31,30,794
24	EMPLOYEE BENEFIT EXPENSES:		
	a)Salaries and wages	8,72,80,736	10,42,81,827
	b)Directors Remuneration	25,00,000	1,00,00,000
	c)Contributions to provident and other funds	66,83,823	82,25,055
	d)Staff & Labour welfare expenses	25,50,490	27,70,174
	Total	9,90,15,049	12,52,77,056
25	FINANCE COSTS:		
	(a) Interest expense on:		
	(i) On Working Capital Borrowings	4,44,93,694	4,27,26,180
	(ii) Others		
	- Interest on Term Loan	78,66,165	79,92,053
	- Interest on others	2,53,080	3,76,931
	- Interest on income tax	-	1,78,036
	- Bank commission & Charges	85,90,662	62,17,441
	iii) Net (Gain)/Loss in foreign exchange transactions	80,68,479	1,46,61,909
	Total	6,92,72,080	7,21,52,550
26	OTHER EXPENSES:		
	a)Consumption of stores and spare parts	1,67,90,851	2,31,43,068
	b)Conversion charges	10,19,952	22,52,081
	c)Power and fuel	6,70,23,067	6,66,25,640
	d)Repairs and maintenance - Machinery	64,97,826	84,55,190
	e)Repairs and maintenance - Building	-	2,36,091
	f)Repairs and maintenance - Others	44,14,499	53,70,282
	g)Insurance	60,46,593	19,16,421
	h)Rent,Rates and taxes	83,05,503	1,35,30,415
	i) Shipping and forwarding	1,07,02,086	1,45,36,950
	j)Brokerage & Commission	49,76,987	1,30,59,824
	k) Doubling charges	16,41,110	8,94,327
	l)Mercerising Charges	62,13,524	1,14,59,860
	m)Other Expenses(Refer Note(i) below)	62,21,067	1,14,31,001
	Total	13,98,53,065	17,29,11,150

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	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
		Rs.	Rs.
26	OTHER EXPENSES (contd.)		
	Note(i)-Other Expenses		
	a) Postage & Telephone	11,44,640	11,38,966
	b) Travelling and conveyance	15,45,352	33,45,460
	c) Printing and stationery	6,09,496	8,81,545
	d) Payments to auditors (Refer Note (ii) below)	2,00,000	2,00,000
	e) Miscellaneous expenses	9,90,881	25,94,762
	f) Consignment sales expenses	1,81,852	10,15,828
	g) Rebate and discount	1,36,140	75,418
	h) Advertisement charges	14,12,706	21,79,022
	Total	62,21,067	1,14,31,001
	Note(ii)- Payments to the auditors comprises:		
	As auditors - statutory audit	60,000	60,000
	For taxation matters	60,000	60,000
	For reimbursement of expenses	80,000	80,000
		2,00,000	2,00,000

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Notes forming part of the financial statements

27	Confirmation of balances from certain parties due to and due from the company has not been received by the Company.		
28	Paise have been rounded off to the nearest rupee.		
29	Previous year's figures have been re-grouped wherever necessary to conform to the classification of this year		
30	<p>RELATED PARTY TRANSACTIONS As per Accounting Standard No – 18 issued by the Companies (Accounting Standard) Rules, 2006, and the Institute of Chartered Accountants of India, the company's related parties are given below.</p>		
	i) List of Related parties with whom transactions have taken place and relationships:		
S.No	Name of the Related Party	Relationship	
1	A Ilavarasu	Key Management Personnel	
2	I Sudha	Key Management Personnel	
3	I Shilpaa	Key Management Personnel	
4	Shilpa Impex Private Limited	KMPs interested concern	
	ii) Transaction during the year with related parties:		
1	Name of Related Party	Relationship	
	A. ILAVARASU	Key Management Personnel	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Loan received	1,37,26,500	2,13,42,329
	Remuneration paid	22,00,000	80,00,000
2	Name of Related Party	Relationship	
	I SUDHA	Key Management Personnel	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Remuneration paid	3,00,000	16,00,000
3	Name of Related Party	Relationship	
	I.SHILPAA	Key Management Personnel	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Remuneration paid	-	4,00,000
4	Name of Related Party	Relationship	
	Shilpa Impex Private Limited	KMP interested concern	
	Nature of Transaction	Value in Rs.	
		2019-2020	2018-2019
	Sale of goods	20,52,97,864	20,50,06,296
	Trade receivables	2,49,69,050	1,94,12,163
	Shares subscribed	3,53,91,300	3,53,91,300
31	Contingent Liabilities & Commitments		
		-	-
32	i)The mangement of the Company segregates the amounts due to Micro and Small Enterprises and others in respect of goods supplied or service rendered on the basis of the declarations received from the concerned supplier/service provider and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are applied accordingly. ii) The company has not received any Memorandum as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006, claiming their status as Micro, Small and Medium enterprises. In view of this the amount paid/payable to these parties during the year 2019-20 is Rs.NIL.		
33	As-required by Accounting Standard -28 (Impairment of Asset), the management reviewed the potential generation of economic benefits from the fixed assets and in the opinion of the management, the carrying amount of the fixed assets of the company is less than its recoverable amount and no provision need to be made towards impairment loss.		

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Notes forming part of the financial statements

34 Earnings Per Share (In Rupee)				
S.No.	Particulars	Unit	2019-20	2018-2019
1	Net Profit after Tax (A)	Rs.	1,17,30,795	-7,31,51,144
2	Weighted Average Number of Shares	Nos	9,77,846	8,67,024
3	Basic earnings per share for Rs.100/- each (A/B)	Rs.	12.00	-84.37
35 Value of Raw material, Finished goods and Stores & Spares consumption				
	Particulars	Unit	As at 31 March, 2020	As at 31 March, 2019
			Rs.	Rs.
	Raw Material:			
	Opening stock	Rs.	6,86,83,464	9,34,59,391
	Purchases	Rs.	87,79,17,607	72,27,31,315
	Closing stock	Rs.	5,76,06,404	6,86,83,464
	Consumption	Rs.	88,89,94,667	74,75,07,242
	Finished Goods : - Readymade garments & Fabrics			
	Opening stock	Rs.	7,45,03,386	-
	Sales	Rs.	18,80,06,634	18,87,29,808
	Closing stock	Rs.	10,35,45,299	7,45,03,386
	Finished Goods : - Yarn			
	Opening stock	Rs.	13,31,30,794	12,23,21,030
	Sales	Rs.	1,09,86,77,317	91,79,84,481
	Closing stock	Rs.	12,16,98,210	13,31,30,794
36	Expenditure in Foreign Exchange			
	Import of Capital Goods, Spares & Raw material	INR	30,35,97,599	29,59,26,056
	Travelling expenses	INR	1,24,163	11,97,399
37	CONSUMPTION OF RAW MATERIALS			
	Indigenous	65.95%	58,62,70,726	50,37,70,549
	Imported	34.05%	30,27,23,941	24,37,36,693
38	CONSUMPTION OF STORES & SPARES			
	Indigenous	94.80%	1,59,17,193	2,23,89,682
	Imported	5.20%	8,73,658	7,53,386
39	Amount remitted during the year on account of dividends in Foreign Currency	Rs.	-	-
40	Earnings in Foreign Exchange	Rs.	46,22,83,923	43,55,00,064

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Notes forming part of the financial statements

41 As stipulated by the Accounting Standard-17 (Segment Reporting) the company has got three reportable segments:

1. Fabrics 2. Spinning 3. Wind Mills :

Segment Allocation Particulars	Trading		Spinning		Wind-Mills		Total	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
External Sales	1,880.07	1,887.30	11,661.83	9,988.11	24.38	26.37	13,566.28	11,901.78
Total	1,880.07	1,887.30	11,661.83	9,988.11	24.38	26.37	13,566.28	11,901.78
Results								
Segment Results	426.59	196.94	170.13	(243.91)	21.92	23.37	618.64	(23.60)
Less: Unallocated Expenses	6.48	20.10	61.42	159.51	-	-	67.90	179.61
Profit from Operations	420.11	176.84	108.71	(404.43)	21.92	23.37	550.73	(203.21)
Interest Expenses	64.44	51.89	465.16	462.80	-	-	529.60	514.69
Profit Before Tax	355.67	124.95	(356.45)	(867.23)	21.92	23.37	21.13	(717.90)
Tax							(96.17)	13.60
Profit after tax							117.30	(731.50)
Segment Assets	1,219.30	946.77	6,772.39	7,007.42	11.21	14.65	8,002.90	7,968.84
Segment Liabilities	738.68	821.82	5,908.56	5,908.66	-	-	6,647.23	6,730.48
Total Capital Employed	480.62	124.95	863.84	1,098.76	11.21	14.65	1,355.67	1,238.36

(Rupees in Lakhs)

Balance Sheet as on 31st March 2020

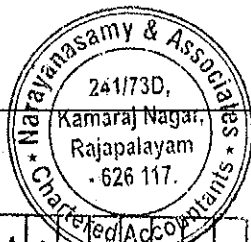
Particulars		Note No.	As at 31 March, 2020		As at 31 March, 2019	
			Rs.	Rs.	Rs.	Rs.
A	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	1	9,77,84,600		9,77,84,600	
	(b) Reserves and surplus	2	-1,02,79,915		1,35,56,235	
	(c) Money received against share warrants		-	8,75,04,685		11,13,40,835
2	Share application money pending allotment			-		-
3	Non-current liabilities					
	(a) Long-term borrowings	3	4,77,44,653		6,64,53,479	
	(b) Deferred tax liabilities (net)	4	-		-	
	(c) Other long-term liabilities	5	16,62,000		16,62,000	
	(d) Long term Provisions	6	-	4,94,06,653	-	6,81,15,479
4	Current liabilities					
	(a) Short-term borrowings	7	42,03,94,103		42,72,13,137	
	(b) Trade payables	8				
	(i) Total outstanding dues of micro enterprises and small enterprises		-		-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.		8,83,76,744		3,93,57,864	
	(c) Other current liabilities	9	3,26,78,005		5,61,79,954	
	(d) Short-term provisions	10	-	54,14,48,852	-	52,27,50,955
	Balance due from Spinning & Windmill division			26,88,440		6,27,538
	TOTAL			68,10,48,630		70,28,34,807
B	ASSETS					
1	Non-current assets					
	(a) Property, Plant & Equipment					
	(i) Tangible assets	11	24,28,91,200		27,30,19,059	
	(ii) Capital work in progress		-		-	
	(b) Deferred Tax Asset	12	2,09,35,640		1,13,18,287	
	(c) Long-term loans and advances	13	71,62,657		1,26,97,123	
	(d) Other Non-current assets	14	-		-	
	(e) Other Non-current investments	15	1,40,000	27,11,29,497	1,37,300	29,71,71,769
2	Current assets					
	(a) Inventories	16	29,52,18,808		32,23,58,068	
	(b) Trade receivables	17	8,46,64,327		5,58,25,593	
	(c) Cash and cash equivalents	18	66,42,890		75,64,269	
	(d) Short-term loans and advances	19	2,03,02,323		1,87,67,329	
	(e) Other current assets	20	30,90,786	40,99,19,134	11,47,780	40,56,63,039
	TOTAL			68,10,48,630		70,28,34,807

As per our report of even date annexed hereto

For Narayanasamy & Associates
Chartered Accountants
FRN 002401S

M. Muthusubramanian
Partner
M.No.22863

Place : Rajapalayam
Date : 20th November 2020



For and on behalf of the Board
A. ILAVARASU
Managing Director

I. SUDHAA
Director

J. Sudhaa

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March, 2020

(SPINNING & WINDMILL DIVISION)

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2020	31 March, 2019
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations	21	1,16,86,21,339	1,00,14,47,865
	Revenue from operations		1,16,86,21,339	1,00,14,47,865
2	Expenses			
	(a) Cost of materials consumed	23.a	88,89,94,667	74,75,07,242
	(b) Purchases of stock-in-trade	23.b	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.c	1,62,43,544	(1,57,07,307)
	(d) Employee benefits expense	24	7,73,57,124	10,31,21,282
	(e) Other expenses	26	12,93,49,373	15,71,79,972
	Total		1,11,19,44,708	99,21,01,189
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)		5,66,76,631	93,46,676
4	Finance costs	25	6,28,27,716	6,69,63,537
5	Depreciation and amortisation expense	11	3,12,52,021	2,95,12,725
6	Other income	22	11,50,634	24,62,272
7	Profit / (Loss) before exceptional and extraordinary items and tax		-3,62,52,472	(8,46,67,314)
8	Exceptional items	26A	27,98,970	3,81,485
9	Profit / (Loss) before extraordinary items and tax		-3,34,53,502	-8,42,85,829
10	Extraordinary items		-	-
11	Profit / (Loss) before tax		-3,34,53,502	(8,42,85,829)
12	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax Liability/(Asset)		(96,17,353)	13,60,321
			(96,17,353)	13,60,321
13	Profit / (Loss) from continuing operations		(2,38,36,150)	(8,56,46,150)
B	DISCONTINUING OPERATIONS			
14	Profit / (Loss) for the year		(2,38,36,150)	(8,56,46,150)

As per our report of even date annexed hereto

For Narayanasamy & Associates
Chartered Accountants
FRN 002401S

M. Muthusubramanian

Partner

M.No.2286

UDIN: 20022863AAAAP6945

Place: Rajapalayam

Date: 20th November 2020

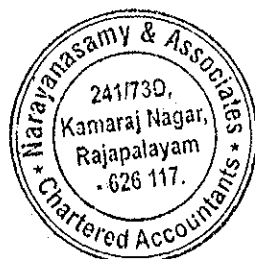
For and on behalf of the Board

A. ILAVARASU

Managing Director

I. SUDHAA

Director



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars		As at 31st March 2020	As at 31st March 2019		
		Rs.	Rs.		
1 SHARE CAPITAL					
Particulars	As at 31 March, 2020		As at 31 March, 2019		
	Number of shares	Rs	Number of shares	Rs	
(a) Authorised Equity shares of Rs.100/- each with voting rights	10,00,000	10,00,00,000	10,00,000	10,00,00,000	
(b) Issued Equity shares of Rs.100/- each with voting rights	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(c) Subscribed and fully paid up Equity shares of Rs.100/- each with voting rights	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(d).Subscribed but not fully paid up	-	-	-	-	
Total	9,77,846	9,77,84,600	9,77,846	9,77,84,600	
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
Particulars	Opening Balance	Fresh issue	Bonus Issue	Other changes	Closing Balance
	Rs.	Rs.	Rs.	Rs.	Rs.
Equity shares with voting rights Year ended 31 March, 2020					
- Number of shares	9,77,846	-	-	-	9,77,846
- Amount (Rs.100/-Per Share)	9,77,84,600	-	-	-	9,77,84,600
Year ended 31 March, 2019					
- Number of shares	8,27,846	1,50,000	-	-	9,77,846
- Amount (Rs.100/-Per Share)	8,27,84,600	1,50,00,000	-	-	9,77,84,600
(ii) Equity shares carry equal voting rights in proportion to the holdings. Equity shares do not have any restriction on the quantum of dividend. The company do not have any preference share capital.					
(iii) The company is neither a holding nor a subsidiary company.					
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares / Name of shareholder	As at 31 March, 2020		As at 31 March, 2019		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Shri.A. ILAVARASU	6,19,873	63.39%	6,19,873	63.39%	
Shilpa Impex Private Limited	3,53,913	36.19%	3,53,913	36.19%	
(v) As at 31 March, 2020 no shares were reserved for issue under options.(As at 31 March, 2019 Nil shares)					
(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Nil					
(vii) Details of calls unpaid				Nil	Nil
(viii) Details of forfeited shares				Nil	Nil
2 RESERVES & SURPLUS					
(a) Surplus / (Deficit) in Statement of Profit and Loss					
Opening balance		(7,74,43,765)	82,02,385		
Add: Profit / (Loss) for the year		(2,38,36,150)	(8,56,46,150)		
Closing balance		(10,12,79,915)	(7,74,43,765)		
(b) Revaluation Reserve					
Opening Balance		9,10,00,000	9,10,00,000		
Created during the year		-	-		
Closing Balance		9,10,00,000	9,10,00,000		
Total		(1,02,79,915)	1,35,56,235		

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars	As at 31st	As at 31st
	March 2020	March 2019
	Rs.	Rs.
3 LONG TERM BORROWINGS		
(a) Term loans from Banks & Financial Institutions		
Term loans from M/s Karur Vysya Bank Ltd., Rajapalayam		
Secured	4,70,25,056	6,44,66,311
Unsecured	-	-
Vehicle Loan from M/s.Daimler Financial Services P Ltd.,		
Secured	7,19,597	16,77,062
Unsecured	-	-
Vehicle Loan from M/s.HDFC Bank Ltd.,		
Secured	-	3,10,106
Unsecured	-	-
Total(a)	4,77,44,653	6,64,53,479
(b) Loans and advances from related parties		
Secured	-	-
Unsecured	-	-
Total(b)	-	-
Total(a+b)	4,77,44,653	6,64,53,479

3.(i) Details of terms of repayment for the long-term borrowings and security provided in respect thereof.

Particulars	Terms of repayment and security	As at 31 March, 2020		As at 31 March, 2019	
		Secured	Unsecured	Secured	Unsecured
		Rs.	Rs.	Rs.	Rs.
Term loans from M/s Karur Vysya Bank Ltd., Rajapalayam					
Term Loan 0002	Vide para 3.(i) below	-	-	40,96,036	-
Term Loan 0004		-	-	24,87,767	-
Term Loan 0005		3,42,532	-	30,45,612	-
Term Loan 2080		4,66,82,524	-	5,48,36,896	-
Total (a)		4,70,25,056	-	6,44,66,311	-
Vehicle Loan					
Daimler Financial Services India Private Ltd.(DFSIPL)	Vide para 3.(ii) below	7,19,597	-	16,77,062	-
HDFC Bank Ltd.		-	-	3,10,106	-
Total (b)		7,19,597	-	19,87,168	-
c)Loans and advances from related parties					
		-	-	-	-
Total (a+b+c)		4,77,44,653	-	6,64,53,479	-

3.(i)(a) All the term loans availed from M/s Karur Vysya Bank Ltd., Rajapalayam are secured by first charge on the entire fixed assets created/ to be created out of the finance from the above bank and are personally guaranteed by all the directors of the company.

3(i)(b)The directors of the company namely Mr.A.Ivasrasu and Mrs. I.Sudhaa have given house properties in various locations as collateral securities towards the above term loans.

3(i)(c) The company has not defaulted in repayment of above term loan. The terms of repayment of above loans and interests are given below:

3(ii) Vehicle Loans availed from M/s Daimler Financial Services P Ltd. and M/s HDFC Bank Ltd. are secured by hypothecation of concerned vehicles. The terms of repayment of above loans and interests are given below:

Year	KVB 0002	KVB 0004	KVB 0005	HDFC BANK	DFSIPL
2020-2021	40,96,036	24,87,767	27,03,080	3,10,106	9,46,095
2021-2022	-	-	3,42,532	-	7,67,800
Total	40,96,036	24,87,767	30,45,612	3,10,106	17,13,895

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars		As at 31st March 2020	As at 31st March 2019
		Rs.	Rs.
Year	KVB 2080		
2020-2021	72,00,000		
2021-2022	84,00,000		
2022-2023	84,00,000		
2023-2024	96,00,000		
2024-2025	1,20,00,000		
2025-2026	82,82,524		
	5,38,82,524		
3.(i)(b)The company has not defaulted in repayment of above loans.			
4 DEFERRED TAX LIABILITY:		-	-
5 OTHER LONG TERM LIABILITIES			
Trade deposits received		16,62,000	16,62,000
Total		16,62,000	16,62,000
6 LONG TERM PROVISIONS:		-	-
7 SHORT TERM BORROWINGS			
(a) Loans repayable on demand			
From M/s Karur Vysya Bank Limited, Rajapalayam			
Secured- Cash Credit		15,40,87,924	22,35,73,005
Export Packing Credit		3,99,34,070	4,98,53,166
Packing Credit in Foreign Currency		22,63,72,109	15,37,86,966
Total		42,03,94,103	42,72,13,137
7(i)(a)Cash credit limits from M/s Karur Vysya Bank Limited, Rajapalayam, is secured by hypothecation of raw materials, finished goods, Spares, consumables & Stores and receivables. The limit is additionally secured by first charge on the entire fixed assets created/to be created out of the finance from the above bank.			
<u>Interest is payable as under:</u>			
1) Cash credit limit at 13.50%(One year MCLR 9.55%+3.95% p.a)			
2) PCFC/PCL/EBD/FBP : PCFC/EBD- LIBOR+2.00% & PCL/FBP 11.15(One year MCLR 9.55%+1.60% p.a)			
3)FBN/EBD(LC Bills): EBD LIBOR+2.00% & FBN 11.15(One year MCLR 9.55%+1.60% p.a)			
The loans are personally guaranteed by Managing Director Mr.A.ILAVARASU and Director Mrs. I.SUDHAA. The directors of the company namely Mr.A.ILAVARASU and Mrs. I.SUDHAA have given certain immovable properties in various locations as collateral securities towards the credit facilities sanctioned by M/s. Karur Vysya Bank Limited, Rajapalayam. The Company has not defaulted in servicing of interest.			
8 TRADE PAYABLES:			
Trade payables:			
a) For Purchase of Raw material and Stores			
i) Due to Micro and Small Enterprises (P)refer Note No.33		-	-
ii) Other parties		8,83,76,744	3,93,57,864
b) For Others		-	-
Total		8,83,76,744	3,93,57,864
9 OTHER CURRENT LIABILITIES:			
(a) Current maturities of long-term debt		1,77,43,084	3,55,34,505
(b) Interest accrued and due on borrowings		6,33,320	7,26,579
(c) Other payables			
(i) Payables for statutory liabilities		6,76,546	41,66,896
(ii) Expenses		1,03,78,461	1,50,50,718
(iii) Others		88,957	86,222
(iv)Advance from parties		31,57,637	6,15,034
Total		3,26,78,005	5,61,79,954
Note : Current maturities of long-term debt			
<u>(A)Term Loan - M/s Karur Vysya Bank Limited, Rajapalayam</u>			
Term Loan 0002		40,96,036	1,73,41,740
Term Loan 0004		24,87,767	1,05,31,560
Term Loan 0005		27,03,080	27,03,080
Term Loan 2080		72,00,000	36,00,000
Total (A)		1,64,86,883	3,41,76,380
(B)Term Loan -HDFC Bank Ltd.,		3,10,106	4,93,733
Total (B)		3,10,106	4,93,733
(C)Term Loan - Dalmler Financial Services India Private Ltd.,		9,46,095	8,64,392
Total (C)		9,46,095	8,64,392

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(SPINNING & WINDMILL DIVISION)

Notes forming part of the financial statements

Particulars	As at 31st	As at 31st
	March 2020	March 2019
	Rs.	Rs.
10 SHORT TERM PROVISIONS:		
(a) Provision - Others:		
(i) Provision for tax	-	-
Total	-	-

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements
11. PROPERTY, PLANT & EQUIPMENT:

(SPINNING & WINDMILL DIVISION)

A.	Tangible assets	YEAR	Gross block			Accumulated depreciation and impairment			Net Block	
			Balance as at 1 April, 2019	Additions	Disposals	Balance as at 31 March, 2020	Balance as at 1 April, 2020	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2020
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Freehold Land	2019-2020	9,18,52,447	-	-	9,18,52,447	-	-	-	9,18,52,447
		2018-2019	9,18,52,447	-	-	9,18,52,447	-	-	-	9,18,52,447
	(b) Buildings	2019-2020	8,95,09,129	6,62,200	-	9,01,71,329	5,64,14,557	37,76,010	6,01,90,567	3,30,94,572
		2018-2019	8,36,56,595	58,52,534	-	8,95,09,129	5,21,67,534	42,47,023	5,64,14,557	3,14,89,061
	(c) Plant and Equipment	2019-2020	45,58,08,315	13,51,205	46,30,188	45,25,29,332	31,45,15,629	2,53,59,735	33,57,36,257	14,12,92,686
		2018-2019	38,40,58,278	7,55,44,016	37,93,979	45,58,08,315	29,56,40,740	2,10,49,633	31,45,15,629	8,84,17,538
	(d) Office Equipments and Furniture & Fixtures	2019-2020	1,23,72,943	2,33,052	32,000	1,25,73,995	1,10,47,737	7,62,229	1,18,09,966	13,25,206
		2018-2019	1,16,42,732	7,30,211	-	1,23,72,943	98,69,007	11,78,730	1,10,47,737	17,73,725
	(e) Windmill	2019-2020	55,99,959	-	-	55,99,959	42,31,685	2,46,137	44,77,822	13,68,274
		2018-2019	55,99,959	-	-	55,99,959	39,31,558	3,00,127	42,31,685	16,68,401
	(f) Vehicles	2019-2020	2,64,86,655	-	39,52,389	2,25,34,266	2,24,00,781	11,07,910	2,01,55,516	40,85,874
		2018-2019	2,64,86,655	-	-	2,64,86,655	1,96,63,569	27,37,212	2,24,00,781	68,23,086
	Total	2019-2020	68,16,29,448	22,46,457	86,14,577	67,52,61,328	40,86,10,389	3,12,52,021	43,23,70,128	27,30,19,059
		2018-2019	60,32,96,666	8,21,26,761	37,93,979	68,16,29,448	38,12,72,408	2,95,12,725	40,86,10,389	22,20,24,258

Depreciation and amortisation relating to continuing operations:

Particulars	Balance as at 31 March, 2020	Balance as at 31 March, 2019
Depreciation and amortisation for the year on tangible assets	3,12,52,021	2,95,12,725
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	3,12,52,021	2,95,12,725

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
12 DEFERRED TAX ASSET		
Depreciation & Related items	1,05,54,212	1,13,18,287
Expenses disallowed under 43B of the Income-tax 1961	-	-
Un-Absorbed Depreciation loss available for set-off	1,03,81,428	-
Net Deferred tax Asset	2,09,35,640	1,13,18,287
(Decrease)/Accretion in Deferred Tax Asset	96,17,353	-13,60,221
Deferred Tax Asset provided during the year	96,17,353	-13,60,221
13 LONG TERM LOANS & ADVANCES:		
(a) Capital advances - Unsecured, considered good	-	-
(b) Security deposits - Tamilnadu Generation & Distribution Corporation Limited(TANGEDCO) and other Government Departments -Secured and Cosidered Good	71,62,657	1,26,97,123
Total	71,62,657	1,26,97,123
14 OTHER NON CURRENT ASSETS:		
	-	-
15 NON CURRENT INVESTMENT:		
Investments-at cost:		
a) 14,000 Equity shares of face value Rs.10/- per share in Ushdev Engitech Limited at Cost.(13,730 equity shares of Rs.10/- each as on 31st March 2019)	1,40,000	1,37,300
Total	1,40,000	1,37,300
16 INVENTORIES:		
(a) Raw materials	5,76,06,404	6,86,83,464
(b) Work-in-progress	9,48,36,680	10,19,49,254
(c) Finished goods (Yarn)	11,82,35,565	12,61,42,873
(d) Waste	1,88,15,860	1,65,14,246
(e) Depot Stock	34,62,645	69,87,921
(e)Stores & spares	22,61,654	20,80,310
Total	29,52,18,808	32,23,58,068
Note: Details of inventory of work-in-progress		
Cotton & Yarn	9,48,36,680	10,19,49,254
Total	9,48,36,680	10,19,49,254
Note: For mode of valuation, refer note no (c) of Significant accounting policies.		
17 TRADE RECEIVABLES:		
a)Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	20,23,801	6,60,222
Doubtful	-	-
	20,23,801	6,60,222
Less: Provision for doubtful trade receivables		
	20,23,801	6,60,222
b)Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	8,26,40,526	5,51,65,371
Doubtful		
	8,26,40,526	5,51,65,371
Less: Provision for doubtful trade receivables		
	8,26,40,526	5,51,65,371
Total	8,46,64,327	5,58,25,593

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars	As at 31st March 2020	As at 31st March 2019
	Rs.	Rs.
18 CASH AND CASH EQUIVALENTS:		
(a) Cash on hand	8,41,226	18,05,065
(b) Cheques, Drafts in hand	-	-
(c) Balances with banks		
(i) In current accounts	2,85,664	1,73,204
(ii) In deposit accounts	55,16,000	55,86,000
Total	66,42,890	75,64,269
19 SHORT TERM LOANS & ADVANCES:		
(a) Prepaid Insurance and Bank Charges recoverable	4,26,359	95,541
(b) Balances with government authorities		
Unsecured, considered good		
(i) TDS and Advance Tax	7,61,568	7,79,793
(ii) GST/VAT Refundable	55,43,317	83,40,360
(c) Advance for Raw materials, Stores & others		
Unsecured, considered good	39,20,189	55,07,921
(d) Loans & Advances to Employees		
Unsecured, considered good	48,21,199	10,82,203
(e) Other Advances	48,29,691	29,61,511
Total	2,03,02,323	1,87,67,329
20 OTHER CURRENT ASSETS:		
(i) Duty drawback receivable	19,49,217	2,73,746
(ii) Interest accrued but not received	11,41,569	8,74,034
Total	30,90,786	11,47,780

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars	For the Year	For the Year
	ended 31st March 2020	ended 31st March 2019
	Rs.	Rs.
21 REVENUE FROM OPERATIONS:		
(a) Sale of products (Refer Note (i) below)	1,15,77,68,954	99,30,42,405
Sub-total	1,15,77,68,954	99,30,42,405
(b) <u>Other Operating Income</u>		
Value of power generated from Windmill	24,38,095	26,37,266
Yarn Conditioning charges	23,431	2,98,011
Duty Drawback Credit	83,90,859	54,70,183
Total	1,16,86,21,339	1,00,14,47,865
(i) Sale of products comprises		
<u>Manufactured and Traded Goods</u>		
<u>Cone Yarn & Hank Yarn Sales</u>		
<u>Direct Sales</u>		
- Within state	49,30,71,223	25,55,54,307
- Other State & Depot Sales	13,52,53,692	22,69,30,110
- Export	47,03,52,402	43,55,00,064
Sale of cotton	3,05,33,887	4,56,45,486
Waste cotton	2,85,57,750	2,94,12,438
Total - Sale of manufactured goods	1,15,77,68,954	99,30,42,405
22 OTHER INCOME:		
(a) Interest income (Refer Note (i) below)	7,62,950	11,03,844
(b) Other non-operating income (Refer Note(ii) below)	3,87,684	13,58,428
Total	11,50,634	24,62,272
(i) <u>Interest income comprises:</u>		
a) Interest from Tamilnadu Generation & Distribution Corporn.Ltd.,(TDS Rs.44,446/-)	4,65,566	7,12,161
c) Interest from Bank Deposit (TDS Rs.29,849/-)	2,97,384	3,91,683
Total - Interest income	7,62,950	11,03,844
(ii) <u>Other non-operating income comprises:</u>		
a) Miscellaneous Income	3,87,684	12,09,395
b) Scrap sales	-	10,883
c) Lincense sales	-	1,38,150
Total - Other non-operating income	3,87,684	13,58,428
Total	11,50,634	24,62,272

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(SPINNING & WINDMILL DIVISION)

Particulars	For the Year	For the Year
	ended 31st March 2020	ended 31st March 2019
	Rs.	Rs.
23.a COST OF MATERIALS CONSUMED:		
Opening stock	6,86,83,464	9,34,59,391
Add: Purchases	87,79,17,607	72,27,31,315
	94,66,01,071	81,61,90,706
Less: Closing stock	5,76,06,404	6,86,83,464
Cost of material consumed	88,89,94,667	74,75,07,242
23.b PURCHASES OF STOCK-IN-TRADE		
	-	-
23.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE:		
<u>Inventories at the end of the year:</u>		
Finished goods (yarn)	11,82,35,565	12,61,42,873
Waste cotton	1,88,15,860	1,65,14,246
Work-in-Progress	9,48,36,680	10,19,49,254
Depot stock	34,62,645	69,87,921
	23,53,50,750	25,15,94,294
<u>Inventories at the beginning of the year:</u>		
Finished goods (yarn)	12,61,42,873	12,17,98,020
Waste cotton	1,65,14,246	1,96,71,297
Work-in-Progress	10,19,49,254	9,38,94,660
Depot stock	69,87,921	5,23,010
	25,15,94,294	23,58,86,987
Net (increase) / decrease	1,62,43,544	-1,57,07,307
Details of Finished Goods		
Yarn	12,16,98,210	13,31,30,794
Total	12,16,98,210	13,31,30,794
24 EMPLOYEE BENEFIT EXPENSES:		
a)Salaries and wages	6,73,67,689	8,33,71,377
b) Directors Remuneration	25,00,000	1,00,00,000
c)Contributions to provident and other funds	60,72,470	74,91,741
d)Staff & Labour welfare expenses	14,16,965	22,58,164
Total	7,73,57,124	10,31,21,282
25 FINANCE COSTS:		
(a) Interest expense on:		
(i) On Working Capital Borrowings	3,83,96,719	3,79,11,145
(ii) Others		
- Interest on Term Loan	78,66,165	79,92,053
- Interest on other Loans	2,53,080	3,76,931
- Interest on income tax	-	1,78,036
- Bank commission & Charges	82,43,273	58,43,463
iii) Net (Gain)/Loss in foreign exchange transactions	80,68,479	1,46,61,909
Total	6,28,27,716	6,69,63,537

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(SPINNING & WINDMILL DIVISION)

Notes forming part of the financial statements

Particulars	For the Year	For the Year
	ended 31st March 2020	ended 31st March 2019
	Rs.	Rs.
26 OTHER EXPENSES:		
a)Consumption of stores and spare parts	1,50,13,197	2,12,51,692
b)Conversion charges	10,19,952	22,52,081
c)Power and fuel	6,49,62,578	6,45,56,658
d)Repairs and maintenance - Machinery	58,34,269	82,94,443
e)Repairs and maintenance - Building	-	2,36,091
f)Repairs and maintenance - Others	44,14,499	49,82,890
g)Insurance	59,47,091	19,16,421
h)Rent,Rates and taxes	50,58,331	65,60,277
i)Shipping and forwarding	1,07,02,086	1,45,36,950
j)Brokerage & Commission	43,82,732	1,29,96,346
k) Doubling charges	16,41,110	8,94,327
l)Mercerising Charges	62,13,524	1,14,59,860
m)Other Expenses(Refer Note(i) below)	41,60,004	72,41,936
Total	12,93,49,373	15,71,79,972
26 OTHER EXPENSES (contd.)		
Note(i)-Other Expenses		
a)Postage & Telephone	10,27,152	10,01,829
b)Travelling and conveyance	12,95,754	31,70,670
c)Printing and stationery	3,59,309	5,99,979
d)Payments to auditors (Refer Note (ii) below)	2,00,000	2,00,000
e)Miscellaneous expenses	9,59,797	11,78,212
f) Depo Expenses	1,81,852	10,15,828
g) Rebate and discount	1,36,140	75,418
Total	41,60,004	72,41,936
Note(ii)- Payments to the auditors comprises:		
As auditors - statutory audit	60,000	60,000
For taxation matters	60,000	60,000
For reimbursement of expenses	80,000	80,000
	2,00,000	2,00,000
26A EXCEPTIONAL ITEMS		
(a) Profit on sale of fixed assets	27,98,970	3,81,485
Total	27,98,970	3,81,485

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Balance Sheet as on 31st March 2020

(ANANDA TEXTILES AND READYMATES)

Particulars		Note No.	As at 31 March, 2020		As at 31 March, 2019	
			Rs.	Rs.	Rs.	Rs.
A	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	1	-		-	
	(b) Reserves and surplus	2	4,80,61,950	4,80,61,950	1,24,95,005	1,24,95,005
	(c) Money received against share		-		-	
2	Share application money pending allotment			-		-
3	Non-current liabilities					
	(a) Long-term borrowings	3	1,37,26,500		2,13,42,329	
	(b) Deferred tax liabilities (net)	4	-		-	
	(c) Other long-term liabilities	5	-		-	
	(d) Long term Provisions	6	-	1,37,26,500	-	2,13,42,329
4	Current liabilities					
	(a) Short-term borrowings	7	4,90,75,114		4,91,22,592	
	(b) Trade payables	8				
	(i) Total outstanding dues of micro enterprises and small enterprises		-		-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,28,60,120		1,03,25,931	
	(c) Other current liabilities	9	8,94,428		20,18,890	
	(d) Short-term provisions	10	-	6,28,29,662	-	6,14,67,413
	TOTAL			12,46,18,112		9,53,04,747
B	ASSETS					
1	Non-current assets					
	(a) Property, Plant & Equipment					
	(i) Tangible assets	11	72,34,397		95,46,823	
	(ii) Capital work in progress		-		-	
	(b) Long-term loans and advances	12	15,861		14,261	
	(c) Other Non-current assets	13	-	72,50,258	-	95,61,084
2	Current assets					
	(a) Inventories	14	10,35,45,299		7,45,03,386	
	(b) Trade receivables	15	19,120		-	
	(c) Cash and cash equivalents	16	69,01,693		47,54,924	
	(d) Short-term loans and advances	17	42,13,302		58,57,815	
	(e) Other current assets	18	-	11,46,79,414	-	8,51,16,125
	Balance due from Spinning & Windmill division			26,88,440		6,27,538
	TOTAL			12,46,18,112		9,53,04,747

As per our report of even date annexed hereto

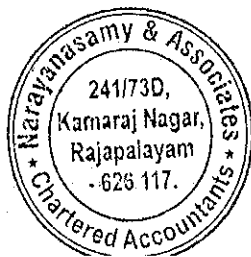
For Narayanasamy & Associates
Chartered Accountants
FRN 002401S
M. Muthusubramanian
Partner
M.No.22863

For and on behalf of the Board
A. ILAVARASU
Managing Director

I. SUDHAA
Director

Place: Rajapalayam
Date: 20th November 2020

UDIN: 200022863 A A A W P 6 9 4 5



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

(ANANDA TEXTILES AND READYMATES)

Statement of Profit and Loss for the year ended 31 March, 2020

Particulars		Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	21	18,80,06,634	18,87,29,808
	Less: Excise duty		-	-
	Revenue from operations (net)		18,80,06,634	18,87,29,808
2	Expenses			
	(a) Cost of materials consumed	21.a	-	-
	(b) Purchases of stock-in-trade	21.b	14,12,58,622	20,55,93,513
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.c	(2,90,41,913)	(7,45,03,386)
	(d) Employee benefits expense	24	2,16,57,925	2,21,55,774
	(e) Other expenses	26	1,05,03,692	1,57,31,178
	Total		14,43,78,326	16,89,77,079
3	Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)		4,36,28,308	1,97,52,729
4	Finance costs	25	64,44,364	51,89,013
5	Depreciation and amortisation expense	11	24,94,919	27,64,328
6	Other income	22	8,77,920	6,95,617
7	Profit / (Loss) before exceptional and extraordinary items and tax		3,55,66,945	1,24,95,005
8	Exceptional items		-	-
9	Profit / (Loss) before extraordinary items and tax		3,55,66,945	1,24,95,005
10	Extraordinary items		-	-
11	Profit / (Loss) before tax		3,55,66,945	1,24,95,005
12	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		-	-
13	Profit / (Loss) from continuing operations		3,55,66,945	1,24,95,005
B	DISCONTINUING OPERATIONS			
14	Profit / (Loss) for the year		3,55,66,945	1,24,95,005

As per our report of even date annexed hereto

For Narayanasamy & Associates

Chartered Accountants

FRN 002401S

M. Muthusubramanian

Partner

M.No.22802

UDIN: 20022863AAAAWPG945

For and on behalf of the Board

A. ILAVARASU

Managing Director

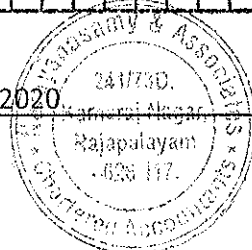
I. SUDHAA

Director

I. Sudha

Place : Rajapalayam

Date : 20th November 2020



S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED (ANANDA TEXTILES AND READYMATES)
Notes forming part of the financial statements

Particulars	As at 31 March 2020	As at 31 March 2019
	Rs.	Rs.
1 SHARE CAPITAL	-	-
2 RESERVES & SURPLUS	3,55,66,945	1,24,95,005
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	1,24,95,005	-
Add: Profit / (Loss) for the year	3,55,66,945	1,24,95,005
Closing balance	4,80,61,950	1,24,95,005
Total	4,80,61,950	1,24,95,005
3 LONG TERM BORROWINGS	-	-
Loans and advances from related parties:		
From the Directors of the Company	1,37,26,500	2,13,42,329
From the Directors relatives	-	-
Total	1,37,26,500	2,13,42,329
4 DEFFERED TAX LIABILITY:	-	-
5 OTHER LONG TERM LIABILITIES	-	-
6 LONG TERM PROVISIONS:	-	-
7 SHORT TERM BORROWINGS		
(a) Loans repayable on demand		
From M/s Karur Vysya Bank Limited, Rajapalayam		
a) Secured- Cash Credit	4,90,75,114	4,91,22,592
	4,90,75,114	4,91,22,592
8 TRADE PAYABLES:		
Trade payables:		
a) For purchase of Rawmaterial and Stores		
i) Due to Micro and Small Enterprises (P)refer Note No.33	-	-
ii) Others parties	1,28,60,120	1,03,25,931
b) Others	-	-
	1,28,60,120	1,03,25,931
9 OTHER CURRENT LIABILITIES:		
(a) Current maturities of long-term debt	-	-
(b) Interest accrued and due on borrowings	-	-
(c) Other payables		
(i) Payables for statutory liabilities	1,97,678	7,78,287
(ii) Expenses	6,96,739	12,39,742
(iii) Others	11	11
(iv) Advance from parties	-	850
Total	8,94,428	20,18,890
10 SHORT TERM PROVISIONS:	-	-

(ANANDA TEXTILES AND READYMADES)

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED

Notes forming part of the financial statements

11 PROPERTY, PLANT & EQUIPMENT

Tangible assets	YEAR	Gross block			Accumulated depreciation and impairment			Net Block	
		Balance as at 1 April, 2019	Additions	Disposals	Balance as at 31 March, 2020	Balance as at 1 April, 2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2020
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Freehold Land	2019-2020	-	-	-	-	-	-	-	-
	2018-2019	-	-	-	-	-	-	-	-
(b) Buildings	2019-2020	-	-	-	-	-	-	-	-
	2018-2019	-	-	-	-	-	-	-	-
(c) Plant and Equipment	2019-2020	-	-	-	-	-	-	-	-
	2018-2019	-	-	-	-	-	-	-	-
(d) Office Equipments and Furniture & Fixtures	2019-2020	1,07,07,960	1,82,493	-	1,08,90,453	27,64,328	-	48,94,878	59,95,575
	2018-2019	-	1,07,07,960	-	1,07,07,960	-	-	27,64,328	79,43,632
(e) Vehicle	2019-2020	16,03,191	-	-	16,03,191	-	-	3,64,369	12,38,822
	2018-2019	-	16,03,191	-	16,03,191	-	-	-	16,03,191
Total	2019-2020	1,23,11,151	1,82,493	-	1,24,93,644	27,64,328	-	52,59,247	72,34,397
Previous year	2018-2019	-	1,23,11,151	-	1,23,11,151	-	-	27,64,328	95,46,823

Depreciation and amortisation relating to continuing operations:

Particulars	As at 31 March 2020	As at 31 March 2019
Depreciation and amortisation for the year on tangible assets	24,94,919	27,64,328
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	24,94,919	27,64,328

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(ANANDA TEXTILES AND READYMATES)

Particulars	As at 31 March	As at 31 March
	2020	2019
	Rs.	Rs.
13 LONG TERM LOANS & ADVANCES:		
(a) Capital advances - Unsecured, considered good	-	-
(b) Security deposits - Tamilnadu Generation & Distribution Corporation Limited(TANGEDCO) and other Government Departments -Secured and Cosidered Good	15,861	14,261
Total	15,861	14,261
15 OTHER NON CURRENT ASSETS:		
	-	-
16 INVENTORIES:		
(a) Finished goods (Readymade garments & Fabrics)	10,35,45,299	7,45,03,386
Total	10,35,45,299	7,45,03,386
Note: For mode of valuation, refer note no (c) of Significant accounting policies.		
17 TRADE RECEIVABLES:		
a)Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
b)Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	19,120	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Total	19,120	-
18 CASH AND CASH EQUIVALENTS:		
(a) Cash on hand	67,71,517	46,00,692
(b) Balances with banks		
(i) In current accounts	1,30,176	1,54,232
Total	69,01,693	47,54,924
19 SHORT TERM LOANS & ADVANCES:		
(a) Advance for Raw materials, Stores & others		
Unsecured, considered good	-	-
GST Receivable	4,25,499	18,97,253
(b) Other Advances	37,87,803	39,60,562
Total	42,13,302	58,57,815
20 OTHER CURRENT ASSETS:		
	-	-

S.A.ANANDAN SPINNING MILLS PRIVATE LIMITED
Notes forming part of the financial statements

(ANANDA TEXTILES AND READYMATES)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
21 REVENUE FROM OPERATIONS:		
(a) Sale of products (Refer Note (i) below)	18,80,06,634	18,87,29,808
Total	18,80,06,634	18,87,29,808
(i) Sale of products comprises		
Traded Goods	18,80,06,634	18,87,29,808
Total - Sale of traded goods	18,80,06,634	18,87,29,808
22 OTHER INCOME:		
(a) Interest income (Refer Note (i) below)	-	-
(b) Other non-operating income	8,77,920	6,95,617
Total	8,77,920	6,95,617
(i) Interest income comprises:		
Total - Interest income	-	-
(ii) Other non-operating income comprises:		
a) Discount	8,77,920	6,38,824
b) Miscellaneous income	-	56,793
Total - Other non-operating income	8,77,920	6,95,617
Total	8,77,920	6,95,617
23.a COST OF MATERIALS CONSUMED:		
23.b Purchases of Readymade Garments & Fabrics	14,12,58,622	20,55,93,513
23.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE:		
Inventories at the end of the year:		
Finished goods - Readymade Graments & fabrics	10,35,45,299	7,45,03,386
	10,35,45,299	7,45,03,386
Inventories at the beginning of the year:		
Finished goods - Readymade Graments & fabrics	7,45,03,386	-
	7,45,03,386	-
Net (increase) / decrease	(2,90,41,913)	(7,45,03,386)
24 EMPLOYEE BENEFIT EXPENSES:		
a)Salaries and wages	1,99,13,047	2,09,10,450
b)Staff & Labour welfare expenses	11,33,525	5,12,010
c)Contributions to provident and other funds	6,11,353	7,33,314
Total	2,16,57,925	2,21,55,774
25 FINANCE COSTS:		
(a) Interest expense on:		
- Interest on cash credit	60,96,975	48,15,035
- Bank commission & Charges	3,47,389	3,73,978
Total	64,44,364	51,89,013
26 OTHER EXPENSES:		
a)Packing material purchase	17,77,654	18,91,376
b)Power and fuel	20,60,489	20,68,982
c)Repairs and maintenance	6,63,557	1,60,747
d)Repairs and maintenance - Vehicle	-	3,87,392
e)Rates and taxes	2,15,719	3,40,658
f) Rent	30,31,453	66,29,480
g) Commission	5,94,255	63,478
h) Advertisement	14,12,706	21,79,022
i) Insurance	99,502	-
j)Other Expenses(Refer Note(i) below)	6,48,357	20,10,043
Total	1,05,03,692	1,57,31,178
26 OTHER EXPENSES (contd.)		
Note(i)-Other Expenses		
a)Postage & Telephone	1,17,488	1,37,137
b)Travelling and conveyance	2,49,598	1,74,790
c)Printing and stationery	2,50,187	2,81,566
d)Miscellaneous expenses	31,084	14,16,550
Total	6,48,357	20,10,043