Jakharia
Spinning your stories

To,
The Manager
Listing & Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra,
Mumbai- 400051.

Date : 7th September, 2021

Company ID : JAKHARIA
ISIN : INE00N401018

Sub: Annual Report for the Financial Year 2020-21

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have attached herewith the Annual Report for the Financial year 2020-21.

Kindly take the same on record.

Thanking You,

For JAKHARIA FABRICS LIMITED



BHAVIN WAGHELA
Company Secretary & Compliance Officer

Encl : Annual Report

Jakharia Fabric Limited
(Formerly known as JAKHARIA FABRIC PVT LTD) CIN - U17200MH2007PLC171939
Reg Office -1224,Deoji nagar,
Narpoli village,Bhiwandi, Thane-421302, Maharashtra

02522 278892 | +91 9820128583
info@jakhariafabric.com
www.jakhariafabric.com

Jakharia

Spinning your stories

JAKHARIA FABRIC LIMITED

CIN : L17200MH2007PLC171939

14th ANNUAL REPORT

2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS:

JIGNESH H. SHAH
Chairman & Executive Director

NITIN K. SHAH
Managing Director

DIXIT SHAH
Whole Time Executive Director

HIMATLAL SHAH
Whole Time Executive Director

MANEKCHAND SHAH
Whole Time Executive Director

ANANT SAWANT
Non-Executive Independent Director

MUKUL VORA
Non-Executive Independent Director

RAJASHRI KOVIL
Non-Executive Independent Director

MANOJKUMAR TIWARI
CHIEF FINANCIAL OFFICER

BHAVIN WAGHELA
COMPANY SECRETARY & COMPLIANCE OFFICER

STATUTORY AUDITORS
SHAH SHROFF & ASSOCIATES
CHARTERED ACCOUNTANTS

SECRETARIAL AUDITORS
DHARA U. SHAH & ASSOCIATES
PRACTICING COMPANY SECRETARIES

INTERNAL AUDITORS
M/S. R M F & CO.
CHARTERED ACCOUNTANTS

REGISTRAR AND TRANSFER AGENTS:
Bigshare Services Private Limited

BANKERS TO THE COMPANY:
Kotak Mahindra Bank Ltd.

Listing at (SME Platform)
National Stock Exchange of India Limited (NSE EMERGE)
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

REGISTERED OFFICE :
OFFICE NO.1224, DEOJI NAGAR, NARPOLI VILLAGE, BHIWANDI, THANE - 421 302.

Tel No: +91-25-2227 8892
Email: info@jakhariafabric.com
Website: www.jakhariafabric.com

UNIT 1:
Plot No 13/1 , MIDC Saravli Village, Kalyan Bhiwandi Road, Bhiwandi, District - Thane – 421 302.

UNIT 2:
Plot No A 13, MIDC Tarapur, Boisar District – Palghar 401 506.

CHAIRMAN'S MESSAGE



Dear Shareholders,

Financial year 2021 was a year which defied normalcy. It was a watershed moment in the history of our nation and of your company as well. The Covid-19 pandemic upended the world and caused unprecedented disruption in more ways than one could have imagined. The pandemic that started to disrupt the economic activity as early as March -20, peaked during the fiscal, including a few months of almost complete standstill in the economy. And yet, this year will define, for many years to come, the strength of our collective will.

First half of the fiscal was a wash out because of extended lockdowns, first nationally and then regional. The business started to pickup with reduced number of covid cases and the onset of festival and wedding season in Q3. Indian economy, which was firmly on the path of recovery in the second half of FY 2021 was hit by a rather unexpected virulent second wave of Covid-19. It has caused a severe strain on health care facilities in many parts of the country, leading to localized lockdown and fall in mobility levels seen a year ago. The double-digit GDP growth expectations for India in FY 2022 have been pared back. As a silver lining, disruptions to production and supply chains have been less severe during the second wave than during the first wave.

Your company and group have been no exceptions to this phenomenon. Although the pandemic has affected all the business adversely, but, our company and group were hit by the same at the wrong time in as much as the fact that, when the time to start earning from the project had arrived, the first wave of the pandemic hit the world. The supply chains were disrupted. But for the support of the bankers under the ELCGS scheme, it would have been a nightmare of time. We wish to place on record our gratitude towards our bankers to have supported us in these unprecedented times. As the business was recovering itself to normalcy, the second wave hit unexpectedly bringing the production activity again back to a grinding halt. The overall business performance has reduced by half for FY 2021 as compared to FY 2020 and your company has reported a loss for the first time in its history since inception. Your company being in textile processing falls in the Centre line of the value chain in the textile industry. The revival of our business is directly linked to uptick in the textile sector. With the gradual opening up of regional level lockdowns and mobility, the production levels have started showing an upward graph and we are hopeful, that by the end of the second quarter of FY 2022, the business levels would reach the desired optimum levels.

I wish to thank my colleagues on the Board and team for responding positively to an unprecedented challenge and most of all, I thank our shareholders for the confidence and faith reposed by them in the Board and the Management team, which has in my view geared up to take on more challenges. I can say with confidence the Company will improve its performance further in the coming years. This is however only possible through tireless efforts, dedication and commitment of our team who have helped us reach where we are now and look forward to their continued commitment in the journey forward.

With best wishes,
Sincerely,
Sd/-
Jignesh Shah
Chairman & Executive Director
(DIN: 00256315)

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Financial Statements of accounts of the Company for the Financial Year ended 31st March, 2021.

COMPANIES SPECIFIC INFORMATION:

1. FINANCIAL RESULTS :

The Company's financial performance for the year ended 31st March, 2021 & 31st March, 2020 are summarized below:

Particulars	(Rs. In lakhs)	
	2020-2021	2019-2020
Revenue from Operation	4132.95	8589.21
Other Income	11.79	34.96
Total Income	**4144.74**	**8624.17**
Expenses:		
Cost of Material consumed	2031.45	4587.83
Change in Inventory	(15.84)	(57.80)
Employee Benefit	783.58	1325.78
Finance Cost	105.05	99.78
Depreciation & Amortization Exp.	171.42	180.01
Other Expenses (including prior period expenses)	2313.30	2050.15
Total Expenses	**5388.96**	**8185.77**
Profit/ (Loss) Before Prior items and Tax	**(1244.22)**	**438.41**
Prior Period Income / (expenses)	**(1.67)**	**(12.30)**
Net Profit Before Tax	**(1245.89)**	**426.11**
Tax Expenses		
- Current Tax	-	140.50
- Excess/(short) Provision in earlier year	-	5.54
- Deferred Tax	(56.38)	(25.35)
Net Profit/ (Loss) After Tax	**(1189.51)**	**305.42**
Opening Balance of Profit & Loss A/c	2171.62	1866.20
Add: Profit/ (Loss) for the year	**(1189.51)**	**305.42**
Closing Balance of Profit & Loss A/c	**982.11**	**2171.62**
- Earnings per share		
Basic	**(29.27)**	**7.52**
Diluted	**(29.27)**	**7.52**

2. OPERATIONAL PERFORMANCE :

Your Directors inform the members that the financial year 2020-2021 impacted the revenue and profitability of the company very adversely.

The Total income during the year has decreased to **51.94%** from **Rs. 8,624.17 Lakhs** to **Rs. 4,144.74 Lakhs** over the last year and Total expenditure of the company is **Rs. 5,388.96 Lakhs.** The adverse effect of pandemic on the operations resulted in loss of Rs. 1189.51 Lakhs for first time since inception.

The Company is operating only in one segment i.e. processing of textile and there is no change in the nature of the Business of the Company.

In accordance with section 136 of the Companies Act, 2013, the audited financial statements are available on www.jakhariafabric.com. These documents will also be available for inspection during working hours at the registered office of your Company. Any member interested in obtaining such document may write to the Company Secretary and the same shall be furnished on request.

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

During the year under review the company has not transferred any amount to the general reserves. The Loss of ₹ 1189.51 Lakhs is transferred to the Reserve and Surplus Account for the year under review.

4. DIVIDEND

To strengthen the financial position of the company, no dividend is recommended by the Board for the financial year ended March 31, 2021. (previous year NIL)

5. CAPITAL STRUCTURE

The Capital Structure of the Company as on 31.03.2021 is as follows:

The Authorized Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each.

The Issued, Subscribed & Paid up Capital of the Company is Rs. 4,06,38,300 (Rupees Four Crore Six Lakh Thirty-Eight Thousand Three Hundred only) divided into 40,63,830 (Forty Lakh Sixty-Three Thousand Eight Hundred and Thirty) Equity Shares of Rs. 10/- (Rupees Ten) each.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

6. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

There have been no material changes and commitments, if any, 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.

7. CHANGE IN NATURE OF BUSINESS :

There have been no material changes in the nature of any business of the company during the financial year under review.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. There are no significant and material orders passed by any regulator or

court or tribunal impacting the going concern status and Company's Operation in future.

9. SUBSIDIARIES, ASSOCIATE COMPANIES& JOINT VENTURES:

The details of Subsidiaries, Associate companies & Joint Ventures are provided in **Form MGT - 9** annexure to the Director's Report as **"Annexure-I". Form AOC – 1 w.r.t. Associate is attached as "Annexure – VII"**

10. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 as required under section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration Rules), 2014 is enclosed as **"Annexure-I"**

Kindly Take Note that the Annual Return is available on the Website of the Company on www.jakhariafabric.com.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND 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 II".**

12. BOARD OF DIRECTORS, THEIR MEETINGS & KMP(S):

I. Constitution of the Board

The Board of directors are comprising of total 8 (Eight) Directors, which includes 3 (Three) Independent director. ***The Company is in the process of compliance of provisions of Companies (Appointment and Qualification of Directors) Amendment Rules, 2020***. The Chairman of the Board is Promoter and Executive Director. The Board members are having varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

II. Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having following independent directors:

(i) Mr. Anant Rajaram Sawant
(ii) Mr. Mukul Vora
(iii) Mrs. Rajashri Rajesh Kovil.

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years and shall not be liable to retire by rotation..

III. Declaration by the Independent :

The Independent Directors are also in the process of complying with the provisions of Companies (Appointment and Qualification of Directors) Amendment Rules, 2020.

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 (***except the provisions of Companies (Appointment and Qualification of Directors) Amendment Rules, 2020 which are in process***) and the SEBI (LODR) Regulations, 2015 during the year 2020-21.

IV. Directors liable to retire by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. NITIN KESHAVJI SHAH (DIN:01869318), Managing Director of the Company is liable to retire by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.

V. Changes in Directors & Key Managerial Personnel

During the year there is no change in Directors as per the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

CHANGES IN KEY MANAGERIA PERSONNEL

There are no changes in Key Managerial Personnel during the year under review.

VI. Meetings and Attendance of the Board

The Board meets at regular intervals to discuss and decide on company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. Meetings of the Board are held in Bhiwandi, at the Registered Office. The Agenda of the Board meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **5 (Five) times** in the Financial Year 2020-21. The maximum interval between any two meetings did not exceed 120 days. Attendance of each director in board meeting as follows:

Sr. no.	Date of Meeting	Board Strength	No. of Directors Present
1	25.05.2020	8	8
2	31.07.2020	8	8
3	14.11.2020	8	8
4	05.12.2020	8	8
5	31.03.2021	8	8

VII. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 31st March, 2021 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties

VIII. Company's Policy on Directors' Appointment and Remuneration:

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), are uploaded on company's website www.jakhariafabric.com

IX. Annual Evaluation by the Board:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings & Strategic perspectives or inputs regarding future growth of company, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

13. COMMITTEES OF THE BOARD:

The Company has following committees:

I. Audit Committee

The Company has already constituted an Audit Committee in accordance with Section 177(1) of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The details of which have been provided on www.jakhariafabric.com forming part of this Annual Report. There has been no instance where the Board of Directors had not accepted any recommendation of the Audit Committee.

The Audit Committee comprises of the following Directors of the Company:

Sr. No.	Name	No. of meeting held during the year	No. of meeting Attended during the year
1	Mr. Mukul Vora -Independent Director (Chairman of committee)	5	5
2	Mr. Anant Sawant -Independent Director (Member of committee)	5	5
3	Mr. Jignesh Shah - Chairman & Executive Director (Member of committee)	5	5

During the financial year ended 31st March, 2021, 5 (Five) Audit Committee Meetings were held on the following dates:

(1) 25.05.2020 (2) 31.07.2020 (3) 14.11.2020 (4) (4) 05.12.2020 & (5) 31.03.2021

II. Nomination and Remuneration Committee:

The Company has already constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the details of which have been provided on www.jakhariafabric.com

The Nomination and Remuneration Committee comprises of the following Directors of the Company.

Sr. No.	Name	No. of meeting held during the year	No. of meeting Attended during the year
1	Mrs. Rajashri Kovil - Independent Director (Chairman of Committee)	5	5
2	Mr. Anant Sawant -Independent Director (Member of Committee)	5	5
3	Mr. Mukul Vora -Independent Director (Member of Committee)	5	5

During the financial year ended 31st March, 2021, 5 (Five) Nomination and Remuneration Committee Meetings were held on the following dates:

(1) 25.05.2020 (2) 31.07.2020 (3) 14.11.2020 (4) (4) 05.12.2020 & (5) 31.03.2021

III. Stakeholders' Relationship Committee:

The Company has already constituted a Stakeholders' Relationship Committee on 27.04.2018 in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the details of which have been provided on www.jakhariafabric.com. The Committee considers and approves various requests regarding annual report and to redress complaints of the shareholders.

The Stakeholders' Relationship Committee comprises the following Directors:

Sr. No.	Name	No. of meeting held during the year	No. of meeting Attended during the year
1	Mr. Anant Sawant -Independent Director (Chairman of Committee)	5	5
2	Mrs. Rajashri Kovil -Independent Director (Member of Committee)	5	5
3	Mr. Nitin Shah -Managing Director (Member of Committee)	5	5

During the financial year ended 31st March, 2021, 5 (Five) Stakeholders' Relationship Committee Meetings were held on the following dates:

(1) 25.05.2020 (2) 31.07.2020 (3) 14.11.2020 (4) (4) 05.12.2020 & (5) 31.03.2021

IV. Corporate Social Responsibility (CSR) Committee:

The Company has already constituted a CSR Committee on 27.04.2018 in accordance with the provisions of section 135 of the Companies Act, 2013. The CSR Committee comprises the following Directors:

Sr. No.	Name	No. of meeting held during the year	No. of meeting Attended during the year
1	Mr. Anant Sawant -Independent Director (Chairman of Committee)	2	2
2	Mr. Jignesh Shah -Chairman & Executive Director (Member of Committee)	2	2
3	Mr. Nitin Shah -Managing Director (Member of Committee)	2	2

During the financial year ended 31st March, 2021, 2 (Two) Corporate Social Responsibility Committee Meetings were held on the following dates

(1) 25.05.2020 & (2) 31.03.2021

14. CORPORATE SOCIAL RESPONSIBILITY:

As a part of its initiative under the Corporate Social Responsibility ("CSR") drive, the company has undertaken projects in accordance with Schedule – VII of the act and the Company's CSR Policy. The Report of CSR activities are required under the Companies (Corporate Social Responsibility Policy) Rules, **2014 is annexed** and marked as **"Annexure III"** which forms an part of this Report.

15. STATUTORY AUDITOR & AUDIT REPORT :

In terms of provisions of the Companies Act, 2013, at the 13th Annual General Meeting (31.12.2020) of the Company, M/s. SHAH SHROFF & ASSOCIATES, Chartered Accountants, (Firm Registration No. 0128920W), Mumbai, were appointed as Statutory Auditors of the Company to hold the office from the conclusion of the 13th annual general meeting till the conclusion of 18th annual general meeting to be held in the year 2025. They have confirmed that they are not disqualified from continuing as auditors of the company

As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board. The Notes on financial statement referred to in the Standalone & Consolidated Auditors' Reports are self-explanatory and do not call for any further comments. The Standalone & Consolidated Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

16. SECRETARIAL AUDITOR

The Board of Directors, on the recommendations of the Audit Committee, of the Company, has appointed M/s DHARA U. SHAH & ASSOCIATES, Company Secretaries, Mumbai, [ICSI Membership No. ACS - 46383 & Certificate of Practice No. 16977], as the Secretarial Auditors of the Company for the financial year 2020-2021.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any adverse remarks and qualifications, hence do not call for any further explanation/s by the Company. The Secretarial Audit Report in Form No. MR-3 submitted by

the said Secretarial Auditors, for the financial year 2020-2021 forms part of the Annual Report as **"Annexure IV"** to the Board's report.

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

M/s. DHARA U. SHAH & ASSOCIATES, Practicing Company Secretaries has issued a certificate required under the Listing Regulations, Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed with this report As **"Annexure-IV"**

17. INTERNAL AUDITORS:

Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company is appointed **M/s R M F & Co.,** Chartered Accountants, Mumbai, [ICAI Firm Registration No.-153788W], as the Internal Auditors of the Company for the financial year 2021-2022 ended on 31.03.2022. The Internal Audit Finding/s and Report/s submitted by **M/s R M F & Co.,** during the financial year, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications hence do not call for any further explanation/s by the Company.

18. COST AUDITORS:

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company hereby confirms that the provisions of this section are not applicable, hence your company is not required to appoint cost auditor for the financial year 2020-21.

19. DISCLOSURE FOR FRAUD AGAINST THE COMPANY:

In terms of provision of section 134(3)(ca) of the Companies Act, 2013, There were no instances of fraud which are reported by Auditors of the Company under section 143(12) of the Companies Act, 2013 to the Audit Committee.

20. CODE OF CONDUCT:

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behavior in any form and the Board has laid down certain directives to counter such acts. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company i.e. www.jakhariafabric.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

21. CORPORATE GOVERANANCE:

The Company being listed on the EMERGE Platform of National Stock Exchange of India Limited and therefore pursuant to Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part C of Schedule V relating to compliance of Corporate Governance is not applicable to the Company. Further, The Company is not required to comply with requirements as

specified in Part E of Schedule II pursuant to Regulation 27(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and submitting Compliance Report on Corporate Governance on quarterly basis pursuant to Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence no Corporate Governance Report is required and therefor it is not forming part of this Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

22. INDUSTRIAL RELATIONS:

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

23. CHANGE IN THE NATURE OF BUSINESS:

During the year under review there is no change in the nature of the business and commercial activities of the company.

24. DEPOSITS:

During the financial year ended 31 March, 2021 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended). As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (9) of the Companies Act, 2013 and the regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, The Company has adopted a Whistle-Blower Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The details of the Vigil Mechanism Policy has posted on the website of the Company at www.jakhariafabric.com

26. PREVENTION OF INSIDER TRADING:

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The details of the Insider Trading Policy has posted on the website of the Company at www.jakhariafabric.com

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, there were no such instances in the Company during the year 2020- 21.

27. RISK MANAGEMENT:

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

The Company has not made Risk Management Committee, but the Board of Directors and Audit Committee is looking after the Risk Management of the Company.

28. MEETINGS OF THE MEMBERS:

During the year under review 13th Annual General Meeting of the Company was held on 31.12.2020.

29. 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, 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 at the end of the financial year and of the profit and loss of the Company for the year ended 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;

(v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORTS:

As per Regulation 34 (e) read with schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the management Discussion and Analysis Report of the Company for the year ended is set out in this Annual Report as **"Annexure-V**

31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of Loans (Secured or unsecured), Guarantee provided in connection with any loan/s availed and Investments pursuant to the section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) are given in the notes to the Financial Statements.

32. INTERNAL CONTROL SYSTEMS:

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

33. INTERNAL FINANCIAL CONTROL FOR FINANCIAL STATEMENTS

Your Company has an effective internal financial control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedure. The Company's internal financial control system is commensurate with its size, scale and complexities of its operations.

34. HUMAN RESOURCES:

The Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and

development of talent on an ongoing basis. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

35. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES:

Pursuant to provision of section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees given in the **"Annexure-VI"**

During the year, none of the Directors, KMP and Employees received remuneration in excess, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

36. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered during the financial year, were on the arm's length basis and were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC-2 is not required. All Related Party Transactions were placed before the Audit Committee for approval. A policy on the related party Transitions was framed & approved by the Board and posted on the Company's website at www.jakhariafabric.com

However, you may refer to Related Party transactions, as per the Accounting Standards, in the Notes forming part of financial statements.

37. INVESTORS EDUCATION AND PROTECTION FUND

During the financial year 2020-2021 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

38. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

To prevent sexual harassment of women at work place, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. The Company has zero tolerance for sexual harassment at workplace in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under for prevention and redressal of complaints of sexual harassment at workplace. During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. The Management of the Company endeavors to provide safe environment for the female employees of the Company.

39. REGISTRAR AND SHARE TRANSFER AGENT:

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent. The Corporate Office of Bigshare Services Pvt. Ltd. situated at "1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra.

40. DEMATERIALISATION OF SECURITIES:

The Company's Equity Shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. As on 31st March 2021, 38,30,500 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents whole 94.26 **%** of the total issued, subscribed and paid-up capital of the Company as on that date. 2,33,330 equity shares are in physical form. The ISIN allotted to your Company is INE00N401018.

41. COMPLIANCES OF SECRETARIAL STANDARDS:

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial

Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2020-2021.

42. GREEN INITIATIVE

Companies Act permits paperless compliance and as a measure of green initiative, we appeal to all those members who have not registered their e-mail addresses so far are requested to register their email address in respect of electronic holding with their concerned Depository Participants and/or with the Company.

43. ACKNOWLEDGEMENT:

The Board of Directors wish to express their grateful appreciation for assistance and co-operation received from various Departments of Central & State Governments and Banks during the year under review. Your Directors also wish to place on record their appreciation for the committed services of all the associates and vendors of the Company.

By order of the Board

Sd/-
JIGNESH SHAH
CHAIRMAN & EXECUTIVE DIRECTOR
DIN: 00256315

Place: BHIWANDI
Date: 06.09.2021

Annexure-I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L17200MH2007PLC171939
2.	Registration Date	22/06/2007
3.	Name of the Company	JAKHARIA FABRIC LIMITED
4.	Category/Sub-category of the Company	Indian Non-Government Company (Company limited by shares)
5.	Address of the Registered office & contact details	OFFICE NO.1224, DEOJI NAGAR, NARPOLI VILLAGE, BHIWANDI, THANE – 421302. Tel No: +91-25-2227 8892 Email: info@jakhariafabric.com
6.	Whether listed company	Yes - National Stock Exchange of India Limited (NSE Emerge)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059 Tel No.: +91 – 22 – 6263 8200;
8.	PAN no:	AABCJ8510G

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of other textiles/textile products n.e.c. (Including Job work)	13999	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	% of Shares held	Applicable Section
1)	M/s Jakharia Industries	N.A.	96.01% share in profit	Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

IV. SHARE HOLDING PATTERN

A) (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	2123500	-	2123500	52.25	2123500	-	2123500	52.25	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	615000	-	615000	15.13	615000	-	615000	15.13	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
2) **Foreign Holdings**	-	-	-	-	-	-	-	-	-
a) Individual	-	-	-	-	-	-	-	-	-
b) Body Corporate	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**2738500**	**-**	**2738500**	**67.39**	**2738500**	**-**	**2738500**	**67.39**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-APRIL-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	161592	116664	278256	6.84	164800	116664	281464	6.93	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	276800	116666	393466	9.68	411200	116666	527866	12.99	3.31
c) Others (Body Corporate)	524800	-	524800	12.91	330400	-	330400	8.13	-4.78
Non Resident Indians	1600	-	1600	0.04	1600	-	1600	0.04	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-APRIL-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	6408	-	6408	0.16	-	-	-	-	-100.00
Market Makers	109600	-	109600	2.70	156800	-	156800	3.85	1.15
HUF	11200	-	11200	0.28	27200	-	27200	0.67	0.39
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1092000	233330	1325330	32.61	1092000	233330	1325330	32.61	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**3830500**	**233330**	**4063830**	**100**	**3830500**	**233330**	**4063830**	**100**	**-**

B) Shareholding of Promoter-

SN	Shareholder's Name	No. of Shares held at the beginning of the year[As on 1-April-2020]			No. of Shares held at the end of the year[As on 31-March-2021]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nitin Shah	912833	22.46	-	912833	22.46	-	-
2	Jakharia Synthetics Pvt. Ltd.	615000	15.13	-	615000	15.13	-	-
3	Manekchand Shah	505833	12.45	-	505833	12.45	-	-
4	Dixit Shah	347000	8.54	-	347000	8.54	-	-
5	Jignesh Shah	137000	3.37	-	137000	3.37	-	-
6	Shejal Shah	75000	1.85	-	75000	1.85	-	-
7	Himatlal Shah	60834	1.50	-	60834	1.50	-	-
8	Suryaben Shah	60000	1.48	-	60000	1.48	-	-
9	Champaben Shah	25000	0.61	-	25000	0.61	-	-
TOTAL :		**2738500**	**67.39**	**-**	**2738500**	**67.39**	**-**	**-**

C) **Change in Promoters' Shareholding (please specify, if there is no change)**

SN	**Particulars**	Shareholding at the beginning of the year (1-April-2020)		Increase/ Decrease in Top Ten Shareholding during the year specifying the reasons for increase / decrease		Cumulative Shareholding during the year		Shareholding at the end of the year (31-March-2021)	
		No. of shares	% of total shares of the company	Date	Addition / Deduction	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nitin Shah	912833	22.46	-	-	-	-	912833	22.46
2	Jakharia Synthetics Pvt. Ltd.	615000	15.13	-	-	-	-	615000	15.13
3	Manekchand Shah	505833	12.45	-	-	-	-	505833	12.45
4	Dixit Shah	347000	8.54	-	-	-	-	347000	8.54
5	Jignesh Shah	137000	3.37	-	-	-	-	137000	3.37
6	Shejal Shah	75000	1.85	-	-	-	-	75000	1.85
7	Himatal Shah	60834	1.50	-	-	-	-	60834	1.50
8	Suryaben Shah	60000	1.48	-	-	-	-	60000	1.48
9	Champaben Shah	25000	0.61	-	-	-	-	25000	0.61

D) *Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase/ Decrease in Top Ten Shareholding during the year specifying the reasons for increase / decrease		Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date	Addition / Deduction	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ARYAMAN CAPITAL MARKETS LIMITED	114400	2.82	01.04.2020	-	114400	2.82		
				10.04.2020	4000-Reduction	110400	2.72		
				17.04.2020	800-Addition	111200	2.74		
				24.04.2020	12800-Reduction	98400	2.42		
				3.07.2020	800-Addition	99200	2.44		
				10.07.2020	1600-Addition	100800	2.48		
				17.07.2020	800-Reduction	100000	2.46		
				31.07.2020	4800-Reduction	95200	2.34		
				21.08.2020	4800-Addition	100000	2.46		
				4.09.2020	800-Addition	100800	2.48		
				11.09.2020	800-Addition	101600	2.50		
				25.09.2020	800-Addition	102400	2.52		
				30.09.2020	13600-Addition	116000	2.85		
				9.10.2020	12800-Reduction	103200	2.54		
				16.10.2020	800-Addition	104000	2.56		
				30.10.2020	8800-Reduction	95200	2.34		
				6.11.2020	1600-Addition	96800	2.38		
				27.11.2020	4000-Addition	100800	2.48		
				4.12.2020	800-Addition	101600	2.50		
				11.12.2020	800-Addition	102400	2.52		
				8.01.2021	2400-Addition	104800	2.58		
				15.01.2021	60800-Addition	165600	4.08		
				22.01.2021	33600-Addition	199200	4.90		
				12.02.2021	9600-Addition	208800	5.14		
				19.02.2021	800-Addition	209600	5.16		
				05.03.2021	19200-Addition	228800	5.63		
				19.03.2021	44800-Reduction	184000	4.53		
				26.03.2021	24000-Reduction	160000	3.94		
				31.03.2021	3200-Reduction	156800	3.86	**156800**	**3.86**
2	NIRAJKUMAR PARMESWAR CHANDGOTHIA	110400	2.72	01.04.2020	-	110400	2.72		
				22.12.2020	110400-Reduction	-	-		
				23.12.2020	110400-Addition	110400	2.72		
				31.03.2021	-	110400	2.72	**110400**	**2.72**
3	AJAY NARENDRA BANSAL	94400	2.32	01.04.2020	-	94400	2.32		
				31.03.2021	-	94400	2.32	**94400**	**2.32**
4	SANCHI SANJAY BANSAL	-	-	01.04.2020	-	-	-		
				26.03.2021	80800-Addition	80800	1.99		
				31.03.2021	-	80800	1.99	**80800**	**1.99**
5	TIA ENTERPRISES PRIVATE LIMITED	68000	1.67	01.04.2020	-	68000	1.67		
				14.08.2020	7200- Addition	75200	1.85		

				22.12.2020	46400- Reduction	28800	0.72		
				23.12.2020	46400- Addition	75200	1.85		
				31.03.2021	-	75200	1.85	**75200**	**1.85**
6	NOPEA CAPITAL SERVICES PRIVATE LIMITED	136800	3.37	01.04.2020	-	136800	3.37		
				10.04.2020	4800-Addition	141600	3.48		
				17.04.2020	800- Reduction	140800	3.46		
				24.04.2020	35200-Addition	176000	4.33		
				08.01.2021	16000-Reduction	160000	3.94		
				15.01.2021	84000- Reduction	76000	1.87		
				22.01.2021	24000- Reduction	52000	1.28		
				05.02.2021	23200-Addition	75200	1.85		
				12.02.2021	9600- Reduction	65600	1.61		
				05.03.2021	16800- Addition	82400	2.03		
				26.03.2021	8800- Reduction	73600	1.81		
				31.03.2021	-	73600	1.81	**73600**	**1.81**
7	SWAPNIL JAIN	-	-	01.04.2020	-	-	-		
				19.03.2021	44800-Addition	44800	1.10		
				31.03.2021	-	44800	1.10	**44800**	**1.10**
8	KRISHNA NAGIN MEHTA	44800	1.10	01.04.2020	-	44800	1.10		
				31.03.2021	-	44800	1.10	**44800**	**1.10**
9	AKM LACE AND EMBROTEX LIMITED	40000	0.98	01.04.2020	-	40000	0.98		
				22.12.2020	40000- Reduction	-	-		
				23.12.2020	40000-Addition	40000	0.98		
				31.03.2021	-	40000	0.98	**40000**	**0.98**
10	S K GROWTH FUND PVT LTD	36000	0.89	01.04.2020	-	36000	0.89		
				31.03.2021	-	36000	0.89	**36000**	**0.89**

*The dates of changes in shareholding and number of shares have been taken as per information made available by the share transfer agent based on the benpos.

E) **Shareholding of Directors and Key Managerial Personnel:**

SN	**Shareholding of each Directors and each Key Managerial Personnel**	Shareholding at the beginning of the year		Increase/ Decrease in Top Ten Shareholding during the year specifying the reasons for increase / decrease		Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Date	Addition / Deduction	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jignesh Shah (Chairman & Executive Director)	137000	3.37	-	-	-	-	**137000**	**3.37**
2	Nitin Shah (Managing	912833	22.46	-	-	-	-	**912833**	**22.46**

	Director)								
3	Himatlal Shah (Whole Time Executive Director)	60834	1.50	-	-	-	-	**60834**	**1.50**
4	Dixit Shah (Whole Time Executive Director)	347000	8.54	-	-	-	-	**347000**	**8.54**
5	Manekchand Shah (Whole Time Executive Director)	505833	12.45	-	-	-	-	**505833**	**12.45**
6	RAJASHRI RAJESH KOVIL (Non-Executive Independent Director)	-	-	-	-	-	-	**-**	**-**
7	ANANT RAJARAM SAWANT (Non-Executive Independent Director)	-	-	-	-	-	-	**-**	**-**
8	MUKUL JAYANTILAL VORA (Non-Executive Independent Director)	**800**	**0.02**	-	-	-	-	**800**	**0.02**
9	MANOJKUMAR JAIPRAKASH TIWARI (C.F.O.)	-	-	-	-	-	-	**-**	**-**
10	BHAVIN WAGHELA (Company Secretary)	-	-	-	-	-	-	**-**	**-**

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,06,85,740	13,23,88,156	-	22,30,73,896
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	**9,06,85,740**	**13,23,88,156**	**-**	**22,30,73,896**
Change in Indebtedness during the financial year				
* Addition	-	33,09,457	-	33,09,457
* Reduction	(1,76,69,525)	-	-	(1,76,69,525)
Net Change	(1,76,69,525)	33,09,457	**-**	**(1,43,60,068)**
Indebtedness at the end of the financial year				
i) Principal Amount	7,30,16,215	13,56,97,613	-	20,87,13,828
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**7,30,16,215**	**13,56,97,613**	**-**	**20,87,13,828**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount (in Rs.)
		Himatlal Shah	Dixit Shah	Jignesh Shah	Manekchand Shah	Nitin Shah	
1	**Gross salary**						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,40,000	13,40,000	13,40,000	13,40,000	26,80,000	**80,40,000**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2	**Stock Option**	-	-	-	-	-	-
3	**Sweat Equity**	-	-	-	-	-	-
4	**Commission** **- as % of profit** **- others, specify…**	-	-	-	-	-	-
5	**Others, please specify**	-	-	-	-	-	-
	Total (A)	13,40,000	13,40,000	13,40,000	13,40,000	26,80,000	**80,40,000**
	Ceiling as per the Act – As per Schedule V and Section 197 of the Companies Act, 2013						

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1*	Independent Directors	RAJASHRI RAJESH KOVIL	ANANT RAJARAM SAWANT	MUKUL JAYANTILAL VORA	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act- Rs. 1 Lakh per meeting of Board or Committee thereof				

All the Directors have waived the Directors siting fees.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Bhavin Waghela CS	ManojKumar Tiwari CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	3,00,000	4,12,500	7,12,500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	-	-	-
2	Stock Option / Sweat Equity/ Commission Etc.	NA	-	-	-
	Total	NA	3,00,000	4,12,500	7,12,500
	Ceiling as per the Act				N.A.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

By and on behalf of the Board of Directors of

Sd/-
JIGNESH SHAH
CHAIRMAN & EXECUTIVE DIRECTOR
DIN: 00256315

Place: BHIWANDI
Date: 06.09.2021

ANNEXURE 'II'

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

In pursuant of section 134(3)(m) of the Companies Act, 2013 read together with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 2014, the relevant information is provided herein below:-

Sr. No.	Particulars	Current Year (2020-21)	Previous Year (2019-20)
I	**CONSERVATION OF ENERGY** **A: POWER & FUEL CONSUMPTION**	The Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.	
1.	**Electricity**		
a)	Purchase Units (in Lacs) Total Amount (Rs. In Lacs) Rate/ Unit (Amount in Rs.)	45.51 305.72 6.72	66.57 487.18 7.32
b)	**Own Generation** (I) Through Diesel generator Unit (in Lac) Unit Per Ltr. Of diesel oil Cost / Unit (Rs.)	Nil	Nil
	(II) Through HFO generator Unit (in Lac) Unit Per Ltr. Of diesel oil Cost / Unit (Rs.)	Nil	Nil
B.	**Consumption per unit of production** Electricity Unit per Meter	N.A.	N.A.
1.	**Technology absorption** Expenditure incurred on R&D during this year is as follows:	Company is regularly investing and importing newer processing machinery to upgrade the technology and give value added products.	
	Capital Expenditure (Rs. In Lacs)	Nil	Nil
	Recurring Expenditure (Rs. In Lacs)	Nil	Nil
2	**FOREIGN EXCHANGE EARNINGS AND OUTGO**		
	The details of foreign exchange earnings and outgo during the year are as under:		
	Earnings (Rs. In Lacs)	Nil	Nil
	Outgo (Rs. In Lacs)	Nil	Nil
	• Revenue A/c • Capital A/c		

For and on behalf of Board of Directors
Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 06.09.2021

ANNEXURE-III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken:**

The CSR activities of the Company are carried out directly and also through contribution/donation made to other organization/institution for the activities specified under Schedule VII of the Companies Act, 2013. The Company has already framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been placed at the website of the Company i.e www.jakhariafabric.com. As per CSR policy the Company endeavors to make CSR a key business process for sustainable development and continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our Company's CSR Committee believes that it is important for the organization to focus on philanthropic activities in terms of animal welfare, prevention from hunger & poverty, promotion of educational activities, empowering women, making available safe drinking water, setting up old age homes, environment protection, health care etc.

2. Composition of the CSR Committee:

I. Mr. Anant Sawant: Independent Director- Chairman

II. Mr. Jignesh Shah: Chairman & Executive Director - Member

III. Mr. Nitin Shah: Managing Director - Member

3. Average net profits of the Company for the last three financial years, under Section 198 of the Companies Act, 2013:

Financial Year	Profit (in Rs.)
2019-2020	4,26,11,036
2018-2019	5,06,58,243
2017-2018	2,18,55,023
Total	**11,51,24,302**
Average Profit of above said Profit	3,83,74,767
2% of Average Profit	7,67,495

The accumulated unspent CSR amount is Rs. 37,85,436/-.

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above):

The Company was required to spend Rs. 7,67,495 towards CSR during the Financial Year 2020-21. Your company could not spend any amount towards the CSR activities till 31st March, 2021 due to following reasons:-

i. CSR Initiatives are on the focus areas approved by the Board benefitting the society at large. However, the Company has just embarked on the journey of ascertained CSR programs;

ii. There are also certain CSR activities/initiatives undertaken by the Company for the substantial well-being of the people in the community, which are not getting covered under the above CSR report due to the specified format under the applicable Rules;

iii. CSR Activities are scalable with few new initiatives that may be considered in future and moving forward the company will endeavor to spend the complete amount on CSR activities.

For and on behalf of Board of Directors
Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 06.09.2021

ANNEXURE-IV
FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
[PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 AND RULE 9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

To,
The Members,
Jakharia Fabric Limited
OFFICE NO.1224, DEOJI NAGAR,
NARPOLI VILLAGE, BHIWANDI, THANE - 421 302

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Jakharia Fabric Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and we hereby report that in our opinion, the Company has, during the audit period for the Financial Year ended on 31st March, 2021 (1st April, 2020 to 31st March, 2021) complied with the statutory provisions, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Jakharia Fabric Limited ("the Company") for the financial year ended on 31st March, 2021, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. However, the provisions related to Overseas Direct Investment and External Commercial Borrowings was not applicable;

(v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
(b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
(c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-

(a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
(c) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
(d) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given below:

1. The Minimum Wages Act, 1948, and rules made there under;
2. The Employees' State Insurance Act, 1948, and rules made there under;
3. The Employees' Provident Fund and Misc. Provisions Act, 1952, and rules made there under;
4. The Payment of Bonus Act, 1965, and rules made there under;
5. The Payment of Gratuity Act, 1972, and rules made there under;
6. The Factories Act, 1948 and allied State Laws;
7. The Payment of wages Act, 1936;
8. The Air (Prevention and Control of Pollution) Act, 1981;
9. The Environment (Protection) Act, 1986;
10. Equal Remuneration Act, 1976;
11. Legal Metrology Act, 2009;
12. The Water (Prevention and Control of Pollution) Act, 1974;
13. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is having business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and

(ii) The SEBI (LODR) Regulations, 2015 as applicable on Small Company listed with the SME platform w.e.f. 18th September, 2018.

During the financial year under report, the Company has complying with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except as mentioned below:-

Company has formed CSR committee as per Section 135 of Companies Act, 2013 on 27.04.2018, However during the period under review company did not spend any amount on CSR activities.

The Independent Directors are also in the process of Compiling with the provisions of Companies (Appointment and Qualification of Directors) Amendment Rules, 2020.

We further report that

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors and the committee members to schedule the Board and Committee Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of

directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, disclosure of the financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith has not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

We further report that during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows: -

1) The Authorized Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each. The Issued, subscribed and Paid up Share Capital of the Company is Rs. 4,06,38,300 (Rupees Four Crore Six Lakh Thirty-Eight Thousand Three Hundred only) divided into 40,63,830 (Forty Lakh Sixty-Three Thousand Eight Hundred and Thirty) Equity Shares of Rs. 10/- (Rupees Ten) each.

We further report that during the audit period no prosecutions initiated against or show cause notice received by the company for alleged offences under the Companies Act, 2013 and also no penalties or any other punishment imposed on the company.

The company has availed total bank facility from Kotak Mahindra Bank Ltd. which was reviewed during the financial year under review from Rs. 14.91 crore to Rs.14.96 crore, vide letter no: SME/23112020/7027 dated 02.12.2020

The Credit Rating of the Company was reviewed by CRISIL Limited on 10th December 2019 vide letter no. JKHFP/232817/BLR/121947535. The Company is rated “CRISILBB-/STABLE” for total bank loan facilities of Rs. 19.75 Crore.

The aforesaid ratings will be due for surveillance anytime by CRISIL Limited.

For Dhara U. Shah & Associates

Dhara Shah
Proprietress
M. No: 46383,
COP No: 16977

Place: Mumbai
Date: **30th August, 2021**
UDIN: A046383C000857721

***Note: This report is to be read with our letter of even date which is annexed as Annexure-A which forms an integral part of this report.**

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Jakharia Fabric Limited
OFFICE NO.1224, DEOJI NAGAR,
NARPOLI VILLAGE, BHIWANDI, THANE - 421 302

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

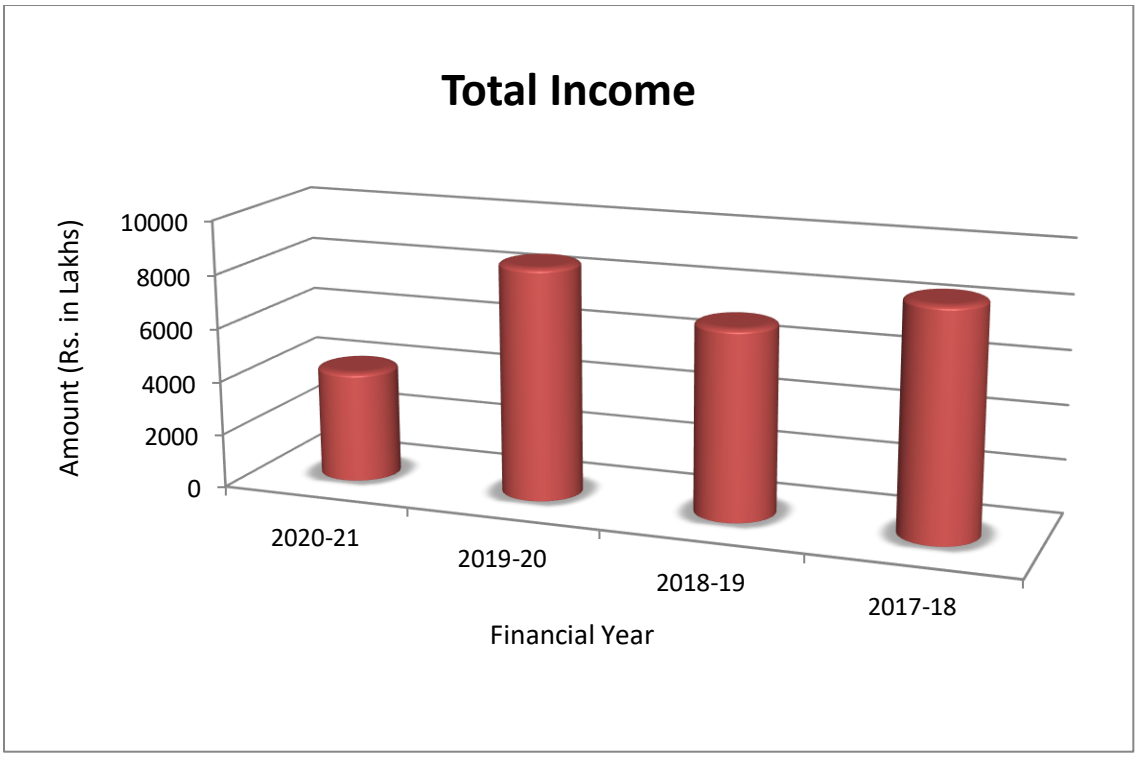
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they need to take independent advice or decision as per their own satisfaction.

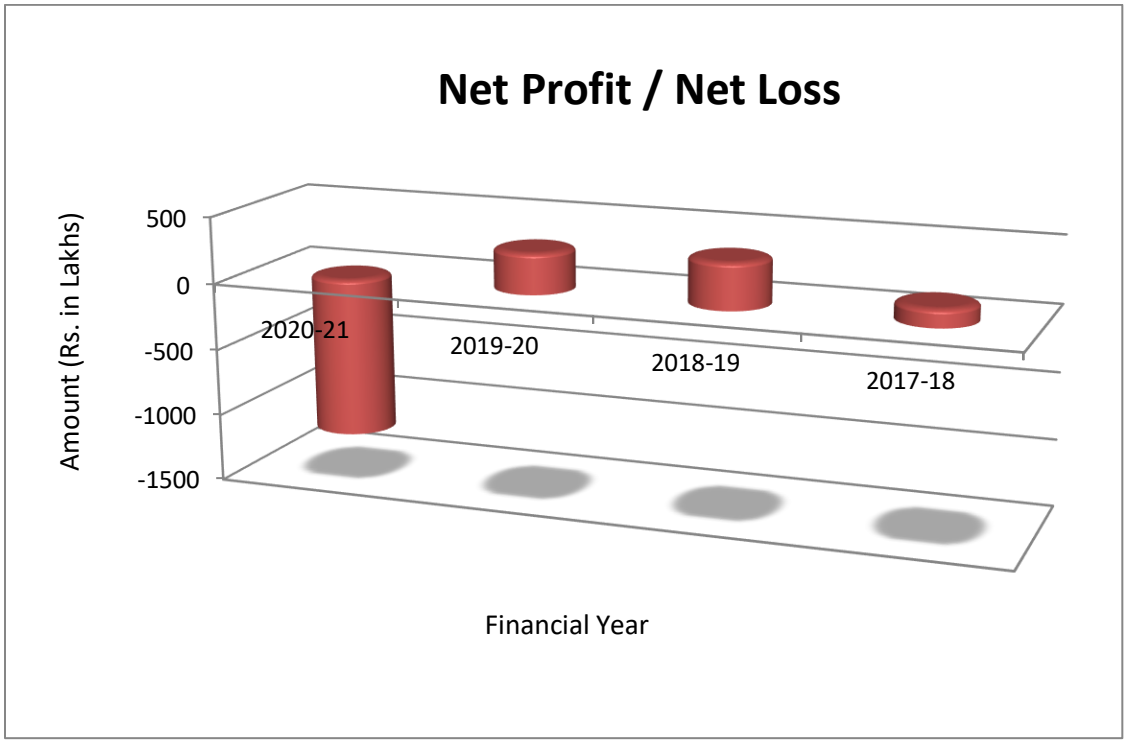
For Dhara U. Shah & Associates

Sd/-
Dhara Shah
Proprietress
M. No: 46383
COP No: 16977

Date: **30th August,2021**
UDIN: A046383C000857721

ANNEXURE-V
MANAGEMENT DISCUSSION AND ANALYSIS REPORT





The management discussion and analysis report provide an over view of the financial activities for the fiscal year ended on 31st March 2021, gives an overall sight of the textile industry, opportunities and threats in the business and Company's strategy to deal with that. This report is designed to focus on current years' activities, resulting changes and other known facts in conjunction to the financial and strategic position of the Company.

SEGMENT REVIEW AND ANALYSIS

Our Company is engaged in the business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines. Our Company procures Grey Fabric from the market and further dyes and finishes the same as per the client's requirements on the basis of quality of the fabric, sizing requirements etc. Our Company also outsources certain processes like weaving of the fabric and printing as per the demand of the customers based on the quality required. Our Company manufactures and processes the fabric specially suitable for Shirtings.

Our Company has set up additional processing facility at Plot No. J1/1, MIDC Tarapur Industrial Area, Boisar, Palghar – 401 506. This facility is being set up through M/s Jakharia Industries, which is a Partnership Firm, wherein our Company is a partner. The Partnership firm is set up to establish a new processing house with a capacity of **360** lakh meters p.a. for colouring, dying, printing and finishing and processing working or manufacturing of cotton, linen, wool synthetics and various other textile products.

We have made investment in M/s. Jakharia Industries (Partnership Firm), with the intention of targeting further penetration in the Textile industry, further creating a wide market locally as well as internationally. We believe that the Partnership will prove to be beneficial for the Company helping to create a brand image of the Group. We believe that, with a wide Product mix and the available market mix for the processed fabric along-with the modernised facilities adds to the positive factors. We seek to develop our Brand Image by continuing to expand our product portfolio and services offered by adding product categories to complement our product mix and the market mix.

We have positioned ourselves as a multiproduct, multi-fibre and multi-market player ensuring that our products include a diverse mix of fabrics mainly catering to domestic market and also to the international market. Wide ranges of fabric are processed at our Processing house which includes cotton, polyester, viscose and man-made & blended fabrics. Our Company has set-up two (2) processing units located at MIDC Area of Saravali, Bhiwandi in Maharashtra and MIDC Area of Tarapur, Bhiwandi in Maharashtra. The plant has the facilities for dyeing and processing wide range of fabrics. We have dedicated semi-automatic machines and skilled operators for manual checking of raw materials as well as Finished Goods. Our Testing and QC Technical team combined with our testing equipments ensures the quality of raw material dispensed in the production process and also the finished goods delivered to our customers. This helps in improving our procurement process thus reducing wastages, returns and other related costs.

The Company is operating only into job-work, Therefore segment/ product-wise details are not applicable.

OVERVIEW OF ECONOMY

The textile industry in India is largest industry after agriculture and is also highly labour intensive offering the largest volume of employment. India is among the world's largest producer of textiles and apparels. The domestic textiles and apparel industry contribute 2% to India's GDP, 7% of industry output in value terms and 12% of the country's export earnings. Unlike other major textile-producing countries, India's textile industry is comprised of small-scale, non-integrated spinning, weaving, finishing, and apparel-making enterprises and

large-scale mills that integrate spinning, weaving and fabric finishing. The uniqueness of the industry lies in its strength both in the hand-woven, small- scale sector as well as in the capital-intensive large-scale mill sector. (Source: www.investindia.gov.in)

INDUSTRY DEVELOPMENTS & STRUCTURE

The Indian Textile Industry has inherent linkage with agriculture and with the culture and traditions of the country making for its versatile spread of products appropriate for both domestic and the export markets. The textile industry is operating under different segments such as Spinning (the process of converting cotton or manmade fiber into yarn), Weaving and Knitting (converting yarn into woven or knitted fabrics), Fabric Finishing/ Processing (dyeing, printing and other cloth preparations) and Clothing (apparel manufacturing). The textiles and apparel industry in India have strengths across the entire value chain from fiber, yarn, fabric to apparel.

The Indian textile industry is the second largest manufacturer and exporter in the world, after China. The industry is of vital importance to the Indian economy. The Industry contributes around 25% share in the world trade of cotton yarn. India is the largest exporter of yarn in the international market and has a share of 25% in world cotton yarn export market. Our country contributes for 12% of the world's production of textile fibres and yarn. Textile & garments industry in India is expected to reach $223 bn by 2021 from $140.4 bn in 2018. Cotton production is expected to reach 36.0 million sales in FY21. (www.ibef.org)

The textile sector also has a direct link with the rural economy and performance of major fibre crops and crafts such as cotton, wool, silk, handicrafts and handlooms, which employ millions of farmers and crafts persons in rural and semi-urban areas. It has been estimated that one out of every six households in the country depends directly or indirectly on this sector. India has several advantages in the textile sector, including abundant availability of raw material and labour. It is the second largest player in the world cotton trade. It has the largest cotton acreage, of about nine million hectares and is the third largest producer of cotton fibre in the world. It ranks fourth in terms of staple fibre production and fourth in polyester yarn production. The textile industry is also labour intensive, thus India has an advantage.

As per policy of FDI in Textile Sector Indian government allows 100% FDI under the automatic route. The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US $ 3.46 billion from April 2000 to September 2020. According to data available, textile and clothing exports in 2018-2019 were worth $35.9 billion and from April 2019 to March 2020 it was worth $ 33.8 billion. The textiles and apparel industry in India is the second-largest employer in the country providing direct employment to 45 million people and 60 million people in allied industries.

Exports in the textiles and apparel industry are expected to reach $300 bn by 2024-25 resulting in a tripling of Indian market share from 5% to 15%. To double the industry size to $300 bn by 2025-26, 7 mega textile parks have been planned. Indian technical textiles market is expected to grow at a rapid 7.6% in the Asia Pacific region to reach $23.3 bn in 2027, up from $14 bn in 2020. The domestic technical textile market for synthetic polymer was valued at $7.1 bn in 2020 and is projected to reach $11.6 bn by 2027, growing at a CAGR of 7.2%, while technical textile market for wovens is expected to grow at a CAGR of 7.4% to $15.7 bn by 2027, up from $9.5 bn in 2020. (Source: www.investindia.gov.in)

Major textile and apparel export destinations for India are EU-28 and USA with 43% share in total textile and apparel exports. In keeping with goal of making India's development inclusive and participative, the Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of

technology fostering innovation, enhancing skills and traditional strengths in the textile sector. The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand.

Textile industry has vital importance for Indian economy as-

• It has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

• Contributes 2% to India's GDP, 7% of industry output in value terms and 12% of the country's export earnings.

With global demand for knitted garments and home textiles recovering faster than expected due to extended stay-at-home period, and sharper focus on health and hygiene, exports of yarn to China, Bangladesh and Vietnam (which account for over half of India's exports) rose 22%, 39% and 51%, respectively, on-year in April-December 2020. What has also helped is the US move to ban use of Xinjiang cotton, which has cranked up Indian yarn exports.

GOVERNMENT SUPPORT

Indian government has come up with several export promotion policies for the textiles sector. As mentioned earlier, 100 per cent FDI is allowed in the Indian textiles sector under the automatic route. Some of initiatives taken by the government to further promote the industry are as under:

• Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms.

• Government launched production linked incentive scheme to provide incentives for manufacture and export of specific textile products made of man-made fibre.

• Under Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of ` 1,480 crores (US$ 211.76 million).

• The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - readymade garments and made-ups - from 2% to 4%.

• Emergency Credit Line Guarantee Scheme (ECLGS), a 100% guaranteed credit scheme launched under "Atmanirbhar Bharat" scheme. The scheme was very useful for the financial year for the sector identified by 'the Kamath Committee'.

• The Government of India has taken several measures including Amended Technology Upgradation Fund Scheme (A-TUFS), estimated to create employment for 35 lakh people and enable investment worth ` 95,000 crore (US$ 14.17 billion) by 2022.

• Integrated Wool Development Programme (IWDP) was approved by Government of India to provide support to the wool sector, starting from wool rearer to end consumer, with an aim to enhance quality and increase production during 2017-18 and 2019-20.

Ministry of Textiles is contemplating a New Textile Policy. At present, New Textile Policy has not been finalized and it is at draft stage. The New Textile Policy inter alia, will give thrust on enhancing export performance and creating better employment opportunities. The New Textile Policy is being formulated by holding widespread consultations with various associations, industry bodies, State Governments and other stakeholders representing subsectors viz. Cotton, Silk, Jute Wool, Handloom, Handicrafts, Powerloom etc. (Source: www.pib.gov.in)

Impact of Covid-19 Pandemic and Initiatives and steps taken by Government of India to enhance textile industry –

In the wake of the ongoing pandemic, all nations have suffered at large across all industries. Textile Industry too has been no exception to the brunt faced due to the impact of the coronavirus. While most economies are still struggling to get up, India surprisingly has sprung back with the ferociousness of a panther

from the third quarter onward. Despite the country coming to a standstill for months and finances and supply chains being adversely affected, Indian textile industry too is gradually scaling back to its pre-covid glory. While credit for this does go to our robust organisations, the various initiatives and steps taken by the Government of India to facilitate this positive movement in the textile industry cannot be ignored. The support provided by the government with its ongoing schemes and the launch of new measures have provided the strong framework that domestic textile manufacturers were seeking to setup their products on.

KEY STRENGTH OF THE INDUSTRY

• India is the third largest producer of cotton with the largest area under cotton cultivation in the world. It has an edge in low-cost cotton sourcing compared to other countries.

• Average wage rates in India are 50-60 per cent lower than that in developed countries, thus enabling India to benefit from global outsourcing trends in labour intensive businesses such as garments and home textiles.

• Design and fashion capabilities are key strengths that will enable Indian players to strengthen their relationships with global retailers and score over their Chinese competitors.

• Production facilities are available across the textile value chain, from spinning to garments manufacturing. The industry is investing in technology and increasing its capacities which should prove a major asset in the years to come.

• Large Indian players such as Arvind Mills, Raymonds, Vardhman etc have established themselves as 'quality producers' in the global market. This recognition would further enable India to leverage its position among global retailers.

• India has gathered experience in terms of working with global brands and this should benefit Indian vendors.

MARKETING APPROACH AND MARKETING SET UP

A successful organisation is one where every member of the management works individually towards its designated roles and responsibilities and works collectively with other members to attain company goals. Therefore, Our Directors with the dedicated team of marketing personnel through their relevant experience and good relationship with our customers has played a vital role in creating and expanding a work platform for our Company. We believe in operational excellence. Marketing department is headed by our executive directors. Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products.

Strategies:

• Organisational Alignment- clear assignment of duties towards every management personnel for smooth and efficient operations

• Assets Reliability- adopting smart machineries and incorporate data driven decisions

• Regulations- adhering to safety and environmental regulations.

• Lean Manufacturing- to minimise waste and create more value-oriented products

• Energy- sustainable manufacturing and use of energy efficient machinery

OPPORTUNITIES AND THREATS

Opportunities-

• Growth rate of Domestic Textile Industry is 6-8% per annum.

• Large, Potential Domestic and International Market.

• Product development and Diversification to cater global needs.

• Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.

• Greater Investment and FDI opportunities are available.

Threats-

• Competition from other REMOVE IT countries, especially China.
• Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
• International labor and Environmental Laws.
• To balance the demand and supply.
• To make balance between price and quality.

ENVIRONMENT AND SAFETY

The need for environmentally clean and safe operations is company's key priority. The Company policy requires the conduct of all operations in such a manner so as to ensure the safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

RISK AND AREAS OF CONCERN

Indian Textile industry apart from profitability pressure, high cotton prices which translates into higher working capital requirements and hence increase in borrowings, which will translate into weaker credit metrics. The cotton prices of Indian cotton during the COVID-19 were very badly affected resulting in losses to many textile companies.

Hence, the Company believes that an effective, consistent and sustainable risk management framework is essential part of the work culture. Risk management must be fully integrated into the organisation's governance policies. A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it.

A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks. Some of the key risks identified include:

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has implemented proper system for safeguarding the operations/ business of the Company, through which the assets are verified and frauds, errors are reduced and accounts, information connected to it are maintained such, so as to timely completion of the statements. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

The Audit Committee of Board of Directors reviews the efficiency and effectiveness of internal control systems and suggests the solution to improve and strengthen. The Internal control system were tested during the year and no material weakness in design or operation were observed. The requirement of having internal auditor compulsory by statue in case of listed and other classes of companies as prescribed shall further strengthen the internal control measures of Company.

HUMAN RESOURCES AND INDUSTRIAL RELATION

The Company had cordial and harmonious industrial relations at all levels of organizations. The company believes that the industry has the tremendous potential to impact the society, nation and the world positively. Its employees are major stakeholders and their efforts have direct stake in the business prospectus of the organization. The employees have extended a very productive cooperation in the efforts of the management to carry the company to greater heights. The Company considers employees as their biggest competitive advantages. The Company takes initiative like training and development for its people to increase the performance. The Company has taken various steps to improve and enhance skill of its people. The industrial relations remained cordial in our plant. The Company has

continued to give special attention to human resources and overall development

CAUTIONARY STATEMENT

Certain statement made in this report describing Company's Objective, Projects, estimates and expectations may be forward looking statement within the applicable laws and Regulations. Actual results may differ from such expectations and forward-looking statement due to various risk and uncertainties. Several factors affecting company's operation like economic condition affecting demand and supply, Government regulations and Tax Laws, Competitions prevailing at the relevant time, natural calamities etc. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

For and on behalf of Board of Directors

Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 06.09.2021

ANNEXURE-VI
PARTICULARS OF EMPLOYEES
[AS PER SECTION 197(12) READ WITH THE RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

A. Ratio and remuneration of Directors & KMPs

S.N.	Name	Designation	Remuneration for the year 2020-2021 (in Rs.)	Remuneration for the year 2019-2020 (in Rs.)	% Increase/ decrease in Remuneration	Ratio between Director or KMP and Median Employee
1	Jignesh Shah	Chairman & WTD	13,40,000	40,00,000	-66.50	5.85:1
2	Nitin Shah	Managing Director	26,80,000	80,00,000	-66.50	11.70:1
3	Dixit Shah	Whole Time Director	13,40,000	40,00,000	-66.50	5.85:1
4	Manekchand Shah	Whole Time Director	13,40,000	40,00,000	-66.50	5.85:1
5	Himatlal Shah	Whole Time Director	13,40,000	40,00,000	-66.50	5.85:1
6	Anant Sawant	Independent Director	-	-	-	-
7	Mukul Vora	Independent Director	-	-	-	-
8	Rajashri Kovil	Independent Director	-	-	-	-
9	Manoj Tiwari	Chief Financial Officer	4,12,500	4,72,500	-12.70%	1.80:1
10	Bhavin Waghela	Company Secretary	3,00,000	3,00,000	-	1.31:1

B. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

As stated above in item no. (A).

C. Percentage increase in the median remuneration of employees in the financial year.

The remuneration of Median employee was Rs. 2,29,000/- during the year 2020-21 as compared to Rs. 2,11,150/- in the previous year as the on-roll employees was 129 in the financial year 2020-2021.

D. Number of permanent employees on the rolls of company

As on 31st March, 2021 the total number of employees on the roll was 129.

E. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Based on Remuneration Policy of the Company, salary of the employees was increased around 8.45 % on an average this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:
The Company affirms that remuneration is as per the remuneration policy of the Company

For and on behalf of Board of Directors
Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315

Place: BHIWANDI
Date:06.09.2021

ANNEXURE-VII

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries : Not Applicable

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate	**Jakharia Industries**
1. Latest audited Balance Sheet Date	31st March, 2021
2. Shares of Associate or Joint Ventures held by the company on the year end	
No.	-
Amount of Investment in Associates or Joint Venture	Rs. 34,97,11,385
Extent of Holding (in percentage)	96.01% of profit
4. Description of how there is significant influence	Returns earned from the Investment
5. Reason why the associate/joint venture is not consolidated	Not Applicable
6. Networth attributable to shareholding as per latest audited Balance Sheet (Capital account as on 3103.2021)	Rs. 34,97,11,385
7. Profit or (Loss) for the year	
i. Considered in Consolidation	(Rs. 9,84,36,096)
ii. Not Considered in Consolidation	-

The Company has no joint venture.

1. Names of associates or joint ventures which are yet to commence operations : Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year : Not Applicable

For and on Behalf of the Board of the Directors of Jakharia Fabric Limited
(Formerly Known as Jakharia Fabric Private Limited)

Sd/-
Jignesh H. Shah
Chairman & Executive Director
DIN : 00256315

Sd/-
Nitin Shah
Managing Director
DIN : 01869318

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M. No. : A46806

Place: BHIWANDI
Date:06.09.2021

INDEPENDENT AUDITORS' REPORT

To,
The Members of Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited)

Report on the audit of Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited) ("the company")**, which comprise the Balance Sheet as at 31/03/2021, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state-of-affairs of the Company as at 31/03/2021, and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified 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 Standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter

We draw attention to note no 35 to the standalone financial statements which explains the uncertainties and management's assessment of financial impact due to lockdown / restrictions related to COVID-19 pandemic imposed by the Governments, for which a definitive assessment of impact is dependent upon future economic conditions.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read 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.

Responsibility of Management and those charged with governance for standalone financial statement

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

In preparing the standalone 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.

Auditor's Responsibilities for the audit of standalone financial statements

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

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 dealt with by this Report are in agreement with the books of account.
(d) In our opinion, the aforesaid standalone 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 31/03/2021 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2021 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company does not have any long-term contracts including derivative contracts and therefore, no provision is required to be made for any material foreseeable losses to this effect.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Shah Shroff & Associates
Chartered Accountants
Firm Reg. No.: 0128920W

Sd/-
Yashesh Shroff
Partner
Membership No: 103277
UDIN: 21103277AAAAWQ3639

Place: Mumbai
Date: 30-06-2021

"Annexure – A" to the Independent Auditors' Report

(Refer to in paragraph on 'Report on Other Legal and Regulatory Requirements section of Independent Auditors Report of even date of the members of Jakharia Fabric Limited on standalone financial statements as at for the year ended March 31, 2021)

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the Management in a periodical manner, 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 physical verification.

(c) According to the information and explanation given to us, the records examined by us and based on the examination of sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all immovable properties of factory building which are freehold, are held in the name of the Company as at the balance sheet date. In respect of Immovable property amounting to Rs. 2.74 crores taken of lease and disclosed as Leasehold land in the standalone financial statement, the deed of assignment has been executed in the name of the Company.

(ii) As explained to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products dealt by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise sales tax, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us and the records examined by us, outstanding dues that have not been deposited by the Company on account of disputes are given below:

Name of the statute	Nature of dues	Period for which amount relates	Forum where dispute is pending	Amount
Income-tax Act, 1961	Income Tax	2015-2016	Income-tax-Assessing	2,610
		2016-2017	CPC, Bangalore	3,30,590

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government. Further, the Company does not have any debenture issued/outstanding any time during the year.

(ix) According to the information and explanation given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the explanations given to us, on an overall basis, the term loans were applied for the purposes for which those were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the management.

(xi) The Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standrad-18, Related Party disclosure specified under section 133 of the Act.

(xiv) The Company has not made any preferential allotment to parties and companies covered under register maintained under section 42 of the Companies Act, 2013, during the year, therefore provisions of Clause 3(xiv) of the said order are not applicable.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India.

For Shah Shroff & Associates
Chartered Accountants
Firm Reg. No.: 0128920W

Sd/-
Yashesh Shroff
Partner
Membership No: 103277
UDIN: 21103277AAAAWQ3639

Place: Mumbai
Date: 30-06-2021

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited).

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

We have audited the internal financial controls over financial reporting of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited) as of March 31, 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

For Shah Shroff & Associates
Chartered Accountants
Firm Reg. No.: 0128920W

Sd/-
Yashesh Shroff
Partner
Membership No: 103277
UDIN: 21103277AAAAWQ3639

Place: Mumbai
Date: 30-06-2021

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Pvt Ltd.)

Standalone Balance sheet as at March 31, 2021

Particulars	Note No.	31 March 2021 Amount in INR	31 March 2020 Amount in INR
I. **EQUITY AND LIABILITIES**			
(1) **Shareholders' Funds**			
(a) Share capital	2	406,38,300	406,38,300
(b) Reserves and surplus	3	3114,83,308	4304,34,090
		3521,21,608	**4710,72,390**
(2) **Non-Current Liabilities**			
(a) Long-term borrowings	4	1918,63,111	1982,32,180
(b) Deferred-tax liabilities (net)	5	-	11,95,161
(c) Long-term provisions	6	137,87,909	94,80,000
		2056,51,020	**2089,07,341**
(3) **Current Liabilities**			
(a) Short-term borrowings	7	168,50,717	248,41,716
(b) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	8	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	8	1972,56,878	1932,82,101
(c) Other current liabilities	9	432,67,181	396,65,460
(d) Short-term provisions	10	5,70,759	30,54,000
		2579,45,535	**2608,43,277**
TOTAL		**8157,18,163**	**9408,23,007**
II. **ASSETS**			
(1) **Non-current assets**			
(a) Property, Plant and Equipment			
(i) Tangible assets	11	1705,42,763	1837,65,853
(ii) Capital work in progress		241,02,390	241,02,390
(b) Non-current investments	12	3571,44,385	4415,17,234
(c) Deferred-tax asset (net)	5	44,43,205	-
(d) Long term loans and advances	13	761,18,080	658,52,146
(e) Other non-current assets	14	13,29,962	17,41,532
		6336,80,786	**7169,79,155**
(2) **Current Assets**			
(a) Inventories	15	402,61,991	396,64,874
(b) Trade receivables	16	1268,99,587	1705,76,580
(c) Cash and cash equivalents	17	94,49,324	90,82,532
(d) Short-term loans and advances	18	44,87,001	34,82,647
(e) Other current assets	19	9,39,475	10,37,220
		1820,37,378	**2238,43,853**
TOTAL		**8157,18,163**	**9408,23,007**
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWQ3639

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Pvt Ltd.)

Standalone Statement of Profit and Loss account for the year ended March 31, 2021

	Particulars	Note No.	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
I	Revenue from operations	20	4132,95,324	8589,21,181
II	Other income	21	11,78,547	34,96,199
III	**Total Revenue (I+II)**		**4144,73,870**	**8624,17,380**
IV	**Expenses**			
	Cost of material consumed	22	2031,44,814	4587,83,434
	Changes in inventories of finished goods, work-in-progress and stock in trade	23	(15,84,304)	(57,79,675)
	Employee benefit expenses	24	783,58,136	1325,77,856
	Depreciation and amortization expenses	11	171,42,463	180,01,133
	Finance cost	25	105,04,747	99,78,460
	Other expenses	26	2313,29,741	2050,15,386
	Total expenses		**5388,95,596**	**8185,76,595**
V	**Profit before prior period items and tax (III) – (IV)**		(1244,21,726)	438,40,785
VI	**Exceptional items**			
	Prior period income/(expenses)		(1,67,422)	(12,29,749)
VII	**Profit before tax (V-VI)**		**(1245,89,148)**	**426,11,036**
VIII	**Tax Expense:**			
	Current tax		-	(140,50,000)
	Excess/(short) provision in earlier year		-	(5,53,823)
	Deferred tax		56,38,366	25,34,680
IX	Profit after tax for the year		**(1189,50,782)**	**305,41,893**
X	Earnings per equity share			
	Basic (Face value per share Rs.10/-)		(29.27)	7.52
	Diluted		(29.27)	7.52
	Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWQ3639

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd.)
Standalone Statement of Cash Flow for the year ended March 31, 2021

Particulars	31 March 2021 Amount in INR		31 March 2020 Amount in INR	
CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax		(1245,89,148)		426,11,036
Adjustments for				
Depreciation and amortization	171,42,463		180,01,133	
Dividend received	-		(10,000)	
Interest & fianancial cost	105,04,747		99,78,460	
Interest received	(5,18,456)	271,28,753	(5,54,206)	274,15,387
Operating profit before working capital changes		(974,60,394)		700,26,423
(Increase) \ decrease in operating assets				
Inventories	(5,97,116)		(92,77,780)	
Trade receivables	436,76,993		55,23,372	
Short term loans & advances	(10,04,354)		(20,42,993)	
Other non current assets	4,11,570		(2,78,555)	
Other current assets	97,745		(7,10,155)	
Trade payables	39,74,776		416,94,951	
Other current liabilities	36,01,722		96,85,981	
Long term provisions	43,07,909		24,29,000	
Short term provisions	(24,83,241)		3,66,000	
		519,86,004		473,89,820
Cash generated from operating activities		(454,74,390)		1174,16,242
Tax provision		-		(146,03,823)
Net cash flow from operating activities		(454,74,390)		1028,12,419
B. Cash flow from investing activities				
Purchase of fixed assets	(39,19,373)		(175,08,403)	
Interest received	5,18,456		5,54,206	
Investment in firm	843,72,849		(699,20,927)	
Net cash used in investing activities		809,71,931		(868,75,123)
Cash flow from financing activities				
Increase / (Decrease) long term borrowings	(63,69,068)		(20,53,632)	
Increase / (Decrease) in short term borrowings	(79,90,999)		(13,74,036)	
Increase / (Decrease) in long term loans & advances	(102,65,934)		(9,68,221)	
Interest & fianancial charges	(105,04,747)		(99,78,460)	
Dividend received	-		10,000	
Net cash used in financing activities		(351,30,748)		(143,64,348)
Net increase / (decrease) in cash and cash equivalents		3,66,793		15,72,952
Cash and cash equivalents (Opening balance)		90,82,532		75,09,580
Cash and cash equivalents (Closing balance)		**94,49,324**		**90,82,532**
Reconciliation of cash and cash equivalent with Balance Sheet				
Cash and cash equivalent as per balance sheet		107,79,286		108,24,064
Less: Deposit with banks with original maturity of 3-12 months		13,29,962		17,41,532
Cash and cash equivalent at the end of the year as per cash flow		**94,49,324**		**90,82,532**

As per our Report of even date
For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWQ3639

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)
Notes forming part of Standalone Financial Statements

Corporate Information:

Jakharia Fabric Limited (JFL) is a public company and incorporated in India under the provisions of Companies Act, 1956 and its shares are listed on the SME platform (NSE Emerge) of the National Stock Exchange of India. The company is engaged in the business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines.

The Standalone Financial Statement of the company for the year ended March 31, 2021, were approved by the board of directors and authorized for issue on June 30, 2021.

Note 1: Significant Accounting Policies:

a) Basis of preparation and presentation:

The Financial Statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respect with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Current/Non -Current Classification:

All assets & liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013. Based on nature of business, the company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities.

d) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition for the intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset are also capitalized as a part of the cost of the asset.

Capital work-in-progress and Capital advances:

Cost of assets not ready for intended use as on balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other Non-current Assets.

Depreciation on Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The estimated useful life of the assets is as under:

Particulars	Useful Lives of the Assets estimated by the management (years)
Factory Building	30
Building	60
Plant & Machinery*	25
Electrical & Fitting	10
Furniture & Fixtures	10
Vehicles	8
Computers	3
Air Conditioner	5
Laboratory	10
Office Equipment	5

*For this class of assets, based on internal technical assessment and past experience, the Management believes that the useful life as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

e) Impairment:

The carrying amounts of the Company's Property Plant and Equipment and intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an assets or its Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For calculating present value, future cash flows are discounted using a pre-tax discount rate that reflects current market rates and the risk specific to the assets. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Where an impairment loss subsequently reverses, the carrying amount of a n asset is increases to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

f) Investment in Associate:

Non-current Investments in partnership firm is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down to its recoverable amount.

The Company is one of the partners having capital contribution ratio and profit-sharing ratio to tune of about 96.01% in 'M/s. Jakharia Industries' (JI) a partnership firm wherein there are 5 other individual partners. According to the partnership deed (as amended from time to time), key business decisions need unanimous approval of all the partners of the firm, irrespective of their profit-sharing ratio and/or

capital contribution ratio. JFL does not have exclusive power to control the activities of JI and in turn, influence the returns earned from its investment in JI. Therefore, the investment in JI is categorized as investment in Associate and is in line with AS-23.

g) Inventories:

Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

h) Borrowing Cost:

All borrowing costs are expensed in the period they are incurred. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

i) Revenue recognition:

Revenue from services rendered is recognized on the basis of completion of job and dispatch thereof to customers or on sale of products. Revenue is recognized on sale of products when no significant uncertainty as to its determination or realization exists.

j) Employee benefits:

Defined contribution plans and short-term employee benefits such as salary, bonus, provident fund etc. are charged to Profit & Loss account as incurred. The present value of the obligations under defined benefits plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit & Loss account.

k) Foreign currency translation:

i. Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the standard exchange rate determined at the transaction date.

ii. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences:

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
2) All other exchange differences are recognized as income or as expenses in the period in which they arise.

l) Taxes on Income:

Current Tax: Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred Tax: Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized.

m) Provision & Contingencies:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n) Earnings Per Share:

Basic The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors

o) Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

2 Share Capital

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
AUTHORIZED SHARES		
50,00,000/-Equity shares of Rs.10/- each	5,00,00,000	5,00,00,000
Total	**5,00,00,000**	**5,00,00,000**
ISSUED , SUBSCRIBED & FULLY PAID-UP SHARES		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	4,06,38,300	4,06,38,300
	4,06,38,300	**4,06,38,300**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2021		March 31, 2020	
	Nos	Amount	Nos	Amount
At the beginning of the period	40,63,830	4,06,38,300	40,63,830	4,06,38,300
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**40,63,830**	**4,06,38,300**	**40,63,830**	**4,06,38,300**

(b) Terms/ rights attached to equity shares

The company has one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholding more than 5% equity shares in the Company:

Name of the shareholder	March 31, 2021		March 31, 2020	
	Nos	% holding in the class	Nos	% holding in the class
Nitin K Shah	9,12,833	22.46%	9,12,833	22.46%
Dixit M Shah	3,47,000	8.54%	3,47,000	8.54%
Manekchand Shah	5,05,833	12.45%	5,05,833	12.45%
Jakharia Synthetics Private Limited	6,15,000	15.13%	6,15,000	15.13%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3 Reserves & Surplus

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Securities Premium :		
Opening Balance	21,09,38,853	21,09,38,853
Add : Addition during the year	-	-
Closing Balance	21,09,38,853	21,09,38,853
Capital Redemption Reserves :		
Opening Balance	23,33,300	23,33,300
Add : Addition during the year	-	-
Closing Balance	23,33,300	23,33,300
Surplus/ (deficit) in the statement of profit and loss		
Opening Balance	21,71,61,933	18,66,20,040
Profit/(Loss) for the year	(11,89,50,782)	3,05,41,893
Net surplus in the statement of profit and loss	**9,82,11,151**	**21,71,61,933**
Total Reserves and Surplus	**31,14,83,308**	**43,04,34,090**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

4 Long Term Borrowings

		March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
A. Secured			
Term loans from bank		8,26,11,032	8,74,13,585
Vehicle loan from bank		9,59,532	13,57,119
Less : Current maturities of long term debt		(2,74,05,065)	(2,29,26,681)
(Amount disclosed under the head 'other current liabilities' refer note no. 9)			
	A…..	**5,61,65,498**	**6,58,44,024**

Secured term loans taken from Bank

Particulars	Term Loan-1	LAP-1	LAP-2
Name of the bank	Kotak	Kotak	Kotak
Purpose	Acquiring Plant & Machinery	Business	Business
Loan amount	2,88,00,000	6,93,00,000	3,00,00,000
Tenure	60 months	84 months	60 months
Repayment schedule - Number of equated monthly installments	60	84	54
Amount of equated monthly installment	4,17,777	17,68,241	4,49,195
Interest rate	MCLR+1.30%	MCLR+1.30%	MCLR+1.30%

Particulars	Finance Loan*	Used car Refinance Loan*	Guaranteed Emergency credit line
Name of the bank	HDFC	HDFC	Kotak
Purpose	Business	Business	Business
Loan amount	11,40,000	7,94,288	1,10,00,000
Tenure	48 months	53 months	48 months
Repayment schedule - Number of equated monthly installments	48	53	36
Amount of equated monthly installment	28,290	20,195	3,54,270
Interest rate	9.27%	14.00%	9.25%

Security:

Primary:

- First and exclusive charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.
*Car loans are secured by way of hypothication of special vehicle.

Collateral:

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
b. factory land & building situated at survey no.1/1 & 25/5, Devji Nagar, Near Shanti Sagar complex, Village Narpoli, Bhiwandi, Dist Thane-421302 owned by Mr. Himatlal Shah and Mr. Jignesh Shah.
c. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
d. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah &Mr. Manekchand Shah
e. Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.

Guarantee:

Personel Guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah,

B. Unsecured			
From Bank and NBFC		1,34,31,614	-
Less: Current Maturities of Long Term Loan		(49,12,118)	-
(Amount disclosed under the head 'other current liabilities' refer note no. 9)			
From directors		12,22,49,961	12,74,60,000
From relatives of directors		49,28,156	49,28,156
	B…..	**13,56,97,613**	**13,23,88,156**

Unsecured term loans taken from Bank

Particulars	IDFC First Bank Ltd	Fedral Bank Ltd	ICICI Bank Ltd
Purpose	Business	Business	Business
Loan amount	12,74,814	25,00,000	40,80,000
Tenure	36 months	18 months	24 months
Repayment schedule - Number of equated monthly installments	36	18	24
Amount of equated monthly installment	2,02,707	1,59,514	88,317
Interest rate	16.00%	18.00%	17.50%

Unsecured term loans taken from NBFC

Particulars	Bajaj Finance Ltd	Tata Capital Financial Service Ltd
Purpose	Business	Business
Loan amount	30,76,800	25,00,000
Tenure	36 months	36 months
Repayment schedule - Number of equated monthly installments	36	36
Amount of equated monthly installment	1,09,696	44,819
Interest rate	17.00%	16.00%

(A+B)…..	**19,18,63,111**	**19,82,32,180**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

5 Deferred Tax Liabilities

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Deferred Tax Liabilities/(Assets) (Net)		
Depreciation	52,61,919	46,85,787
Business loss	(57,09,791)	-
Disallowance of expenses	(39,95,332)	(34,90,626)
	(44,43,205)	**11,95,161**

6 Long Term Provisions

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Provision for gratuity	1,37,87,909	94,80,000
	1,37,87,909	**94,80,000**

7 Short Term Borrowings

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Secured		
Cash credit facility from bank	1,38,50,717	2,18,41,716

The above cash credit facility from Kotak Bank is secured by following securities:

Primary:

Hypothecation & Mortgage of First and exclusive charge on all existing and future current assets, including moveable fixed assets of the borrower.

Collateral:

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane

b. factory land & building situated at survey no.1/1 & 25/5, Devji Nagar, Near Shanti Sagar complex, Village Narpoli, Bhiwandi, Dist Thane-421302 owned by Mr. Himatlal Shah and Mr. Jignesh Shah.

c. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah

d. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah &Mr. Manekchand Shah

e. Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.

Guarantee:

Personel Guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah,

Inter Corporate deposits	30,00,000	30,00,000
	1,68,50,717	**2,48,41,716**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

8 Trade Payables

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Creditors		
-for capital goods	1,21,64,925	1,35,08,804
-for raw material and others	17,64,74,167	17,06,28,535
-for expenses	86,17,786	91,44,762
	19,72,56,878	**19,32,82,101**

Micro, Small and Medium enterprises have been identified by the company on the basis of the information available.

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Dues remaining unpaid as at 31st March		
(a) Principal		
Interest on the above	-	-
(b) Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed paid during the year		
Principal paid beyond the appointed date		
Interest paid in terms of Section 16 of the act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Further interest due and payable even in the succeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at 31st March	-	-

9 Other Current Liabilities

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Current maturities of long term debts		
- secured	2,74,05,065	2,29,26,681
- unsecured	49,12,118	-
Statutory dues payable	18,53,527	26,80,168
Salaries and wages payable	86,99,845	1,35,59,182
Interest accrued but not due on bank fixed deposit	3,96,626	4,99,429
	4,32,67,181	**3,96,65,460**

10 Short-Term Provisions

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Provision for gratuity	5,70,759	30,54,000
	5,70,759	**30,54,000**

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

11 Property, Plant & Equipment

As at March 31, 2021

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01.04.2020	Addition during the year	Disposal during the year	Value at the end of the period 31.03.2021	Value at the beginning 01.04.2020	Addition for the year	Disposal during the year	Value at the end of the period 31.03.2021	WDV as on 31.03.2021	WDV as on 31.03.2020
A. Tangible Assets										
Leasehold Land	2,73,51,966	-	-	2,73,51,966	-	-	-	-	2,73,51,966	2,73,51,966
Factory Building	3,74,71,096	-	-	3,74,71,096	2,19,94,197	14,70,305	-	2,34,64,503	1,40,06,593	1,54,76,898
Buiding at Tarapur	3,00,87,579	-	-	3,00,87,579	1,17,11,618	8,94,909	-	1,26,06,527	1,74,81,052	1,83,75,961
Plant & Machinery	27,86,71,387	37,28,700	-	28,24,00,087	16,15,02,164	1,32,70,345	-	17,47,72,509	10,76,27,578	11,71,69,223
Computer	8,68,873	1,49,658	-	10,18,531	7,83,856	72,998	-	8,56,854	1,61,676	85,017
Air Conditioner	13,17,816	41,016	-	13,58,831	11,03,493	1,02,576	-	12,06,069	1,52,762	2,14,323
Bike	1,98,405	-	-	1,98,405	1,85,896	3,239	-	1,89,135	9,270	12,509
Car	24,63,888	-	-	24,63,888	10,37,329	4,45,514	-	14,82,843	9,81,045	14,26,559
Roto Crate	3,29,480	-	-	3,29,480	98,590	41,791	-	1,40,381	1,89,099	2,30,890
Fire Extinguisher	2,53,467	-	-	2,53,467	2,43,180	4,636	-	2,47,817	5,650	10,287
Mobile	65,400	-	-	65,400	62,285	1,404	-	63,689	1,711	3,115
Factory Shade	5,56,559	-	-	5,56,559	3,30,274	21,497	-	3,51,771	2,04,788	2,26,285
EPBAX System	1,77,849	-	-	1,77,849	1,01,266	8,646	-	1,09,912	67,937	76,583
Laboratory	29,32,024	-	-	29,32,024	17,07,171	3,17,114	-	20,24,286	9,07,738	12,24,853
Furniture	12,32,347	-	-	12,32,347	10,01,678	59,720	-	10,61,398	1,70,948	2,30,669
LED TV	56,626	-	-	56,626	54,559	932	-	55,490	1,136	2,067
Electrical Goods	1,15,29,514	-	-	1,15,29,514	1,00,33,229	3,87,388	-	1,04,20,618	11,08,896	14,96,285
Electrical Installations	22,75,472	-	-	22,75,472	21,23,108	39,447	-	21,62,555	1,12,917	1,52,364
Total Property, Plant and Equipment	**39,78,39,747**	**39,19,373**	-	**40,17,59,120**	**21,40,73,895**	**1,71,42,463**	-	**23,12,16,358**	**17,05,42,763**	**18,37,65,852**
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	**39,78,39,747**	**39,19,373**	-	**40,17,59,120**	**21,40,73,895**	**1,71,42,463**	-	**23,12,16,358**	**17,05,42,763**	**18,37,65,852**
As at March 31, 2020										
Total Assets	**38,03,31,345**	**1,75,08,403**	-	**39,78,39,747**	**19,60,72,762**	**1,80,01,133**	-	**21,40,73,895**	**18,37,65,853**	**18,42,58,583**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

12 Non-Current Investments

	March 31,2021 Amount in INR		March 31,2020 Amount in INR	
A. Investment in equity instruments (unquoted)				
(i) Shares of NKGSB Co- Operative Bank		1,00,000		1,00,000
B. Investment in Partnership Firms :				
(i) Capital Investment in Jakharia Industries				
Balance as per Last BalanceSheet	43,40,84,234		36,41,63,307	
Add : Capital introduced during the year	5,44,54,330		11,68,01,977	
Less : Withdrawals during the year	(4,03,91,083)		(4,05,08,178)	
Less: Share of Loss for the Year	(9,84,36,096)	34,97,11,385	(63,72,872)	43,40,84,234

The Partner -wise break-up of Capital and Profit Sharing ratio in M/s. Jakharia Industries is as under :-

Name of the Partner	Profit Sharing Ratio	Capital as on 31 March 2021 Amount in INR	Profit Sharing Ratio	Capital as on 31 March 2020 Amount in INR
M/s. Jakharia Fabrics Private Limited	96.01%	34,97,11,385	96.76%	43,40,84,234
Mr. Nitin Shah	0.76%	27,68,899	0.62%	27,68,899
Mr. Himmatlal Shah	0.76%	27,64,193	0.62%	27,64,193
Mr. Jignesh Shah	0.96%	34,78,704	0.78%	34,78,704
Mr. Dixit Shah	0.76%	27,64,193	0.62%	27,64,193
Mr. Maneckchand Shah	0.76%	27,64,193	0.62%	27,64,193
		36,42,51,569		44,86,24,418
Others				
Tarapur Environment Protection		73,33,000		73,33,000
TOTAL		**35,71,44,385**		**44,15,17,234**

13 Long Term Loans & Advances

	March 31, 2021 Rs.	March 31, 2020 Rs.
Balance with government authorities	4,90,68,065	4,64,30,067
Advance Income- tax (Net)	1,71,78,736	1,12,55,084
Security deposit	98,71,280	81,66,995
	7,61,18,080	**6,58,52,146**

14 Other Non-Current Assets

	March 31, 2021 Rs.	March 31, 2020 Rs.
Other Non-Current Assets		
Deposits with banks (with original maturity period of more than 12 months)	13,29,962	17,41,532
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	13,29,962	**17,41,532**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

15 Inventories

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Inventories		
At cost or net realisable value, which ever is lower, except otherwise stated		
Raw material		
- Dyes and chemicals	88,09,631	85,20,707
- Others	15,26,254	28,02,365
Work in Progress		
- Fabrics	84,88,922	63,77,716
Finished Goods		
- Fabrics	2,14,37,184	2,19,64,087
	4,02,61,991	**3,96,64,874**

16 Trade Receivables

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Outstanding for a period exceeding six months from the date of Invoice		
Secured, Considered Good	-	-
Unsecured, Considered Good	1,45,00,925	1,45,00,925
Doubtful	-	-
Others		
Secured, Considered Good	-	-
Unsecured, Considered Good	11,23,98,662	15,60,75,655
Doubtful	-	-
Less: Provision for doubtful debts	-	-
	12,68,99,587	**17,05,76,580**

17 Cash and Bank Balances

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Cash and cash equivalents:		
Cash on hand	2,21,901	14,12,617
Balance with banks	4,29,651	2,64,588
Balance in fixed deposit accounts	1,01,27,734	91,46,859
	1,07,79,286	1,08,24,064
Less:Deposits with banks (with original maturity period of more than 12 months)	(13,29,962)	(17,41,532)
	94,49,324	**90,82,532**

18 Short-Term Loans and Advances

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Unsecured and Considered Good		
Advance to suppliers	26,42,604	9,717
Advance to employees	18,44,397	34,72,930
	44,87,001	**34,82,647**

19 Other Current Assets

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Unsecured and Considered Good		
Prepaid expenses	9,39,475	7,51,478
Other receivables	-	2,85,742
	9,39,475	**10,37,220**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

20 Revenue from operations

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Sale of services		
Job work/sales	37,08,14,827	65,96,86,614
Sale of products		
Finished goods	4,24,80,496	19,92,34,568
	41,32,95,324	**85,89,21,181**
Details of finished goods		
Fabrics	4,24,80,496	19,92,34,568

21 Other income

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Dividend on shares	-	10,000
Interest on bank fixed deposit	5,18,456	5,54,206
Sundry credit balance written back	3,06,175	2,25,163
Interest on Vat refund	3,53,916	2,95,522
Vat refund	-	6,24,360
Interest on Income-tax refund	-	10,06,614
Foreign exchange gain	-	1,45,352
Other income	-	6,34,982
	11,78,547	**34,96,199**

22 Cost of materials consumed

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Other materials		
Opening stock	1,13,23,072	78,24,966
Add: Purchases		
Coal	5,56,83,256	9,80,80,765
Dyes and chemicals	8,82,94,589	15,93,24,990
Grey	3,32,63,473	16,29,47,218
Packing material	1,04,85,431	1,75,11,788
Stores and spares	1,37,95,035	2,10,24,643
Other materials	11,87,310	1,14,31,877
Less : Purchase return	(5,51,466)	(80,39,741)
Less: Closing stock	(1,03,35,885)	(1,13,23,072)
	20,31,44,814	**45,87,83,434**

23 Changes in inventories of finished goods and work-in-progress

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Opening stock		
Work-in-progress	63,77,716	56,01,428
Finished goods	2,19,64,087	1,69,60,700
	2,83,41,803	2,25,62,128
Less: Closing stock		
Work-in-progress	84,88,922	63,77,716
Finished goods	2,14,37,184	2,19,64,087
	(15,84,304)	**(57,79,675)**

Jakharia Fabric Limited
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Notes forming part of Standalone Financial Statements

24 Employee benefits expenses

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Contribution to provident and other funds	8,62,425	18,63,228
Directors remuneration	80,40,000	2,40,00,000
Salary and wages	6,68,38,116	10,20,79,754
Staff welfare	4,62,301	13,34,141
Gratuity	18,24,668	27,95,000
Others	3,30,626	5,05,733
	7,83,58,136	**13,25,77,856**

25 Financial cost

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Interest expenses	80,52,663	77,88,397
Others*	24,52,084	21,90,063
	1,05,04,747	**99,78,460**

* including bank charges,processing fees etc.

26 Other expenses

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Manufacturing and service cost		
Cash discount	12,10,018	5,52,008
Consultancy	18,46,260	16,14,081
Jobwork / Subcontracting	5,01,90,004	8,43,61,983
Loading and unloading charges	28,85,419	39,45,464
Packing expenses	9,13,558	18,38,412
Power and fuel	3,38,36,984	5,50,95,498
Rent, rates and taxes	64,71,673	65,79,627
Repairs and maintenance	56,43,397	88,79,921
Water expenses	37,79,016	54,16,729
	10,67,76,329	**16,82,83,722**
Administrative & Selling expenses		
Brokerage	42,36,513	84,45,157
Computer expenses	2,93,000	1,52,811
Travelling, conveyance and petrol expenses	7,08,325	9,54,161
Courier charges	56,276	8,45,386
Exchange loss	36,866	-
GST ineligible	33,78,559	-
Donation	2,000	1,72,501
Insurance	14,17,668	13,96,033
Interest on statutory dues	86,640	1,11,668
Share of loss from partnership firm	9,84,36,096	63,72,872
Motor car expenses	2,26,602	2,38,041
Penalty	4,650	2,03,605
Printing and stationery	7,21,884	8,88,139
Provision for doubtful debts	52,18,813	-
Sundry expenses	8,29,919	11,27,177
Telephone expenses	90,219	1,09,745
Transport charges	83,09,382	1,52,14,368
Payment to Auditors (Note no.27)	5,00,000	5,00,000
	12,45,53,411	**3,67,31,664**
	23,13,29,741	**20,50,15,386**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

27 Remuneration to Auditors:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Audit Fees	3,50,000	3,50,000
Tax Audit Fees	1,50,000	1,50,000

28 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Profit/ (Loss) After Tax	(11,89,50,782)	3,05,41,893

	March 31, 2021	March 31, 2020
Weighted average number of equity shares in calculating basic EPS		
Equivalent Weighted Avg number of Equity Shares at the end of the year	40,63,830	40,63,830
Diluted Weighted Avg number of Equity Shares at the end of the year / period	40,63,830	40,63,830
Earnings Per Share		
Basic EPS	(29.27)	7.52
Diluted	(29.27)	7.52

29 Related party disclosures:

(a) Names of related parties and related party relationship

Name of the Party	Description of Relationship
M/s. Jakharia Synthetics Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Industries	Enterprise over which directors have significant influence.
M/s. Dixit Processors	Enterprise over which directors have significant influence.
Mahadev Enterprises	Enterprise over which key managerial personnel have significant influence.
Key managerial personnel	
Mr. Himmatlal Shah	Whole Time Director
Mr. Jignesh Shah	Chairman cum Executive Director
Mr. Nitin Shah	Managing Director
Mr. Dixit Shah	Whole Time Director
Mr. Manekchand Shah	Whole Time Director
Mr. Anant Rajaram Sawant	Independent Director
Mr. Mukul Jayantilal Vora	Independent Director
Mrs. Rajashri Kovil	Independent Director
Mr. Manoj Tiwari	Chief Financial Officer

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

(b) Related Party Transaction

(i) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Nature of Transaction	March 31,2021 Amount in INR	March 31,2020 Amount in INR
M/s. Jakharia Industries	Investments	1,40,63,247	7,62,93,799
M/s. Jakharia Industries	Job Charges	57,39,377	2,42,73,860
M/s. Jakharia Industries	Sales	2,69,816	1,27,36,020
Mr. Himmatlal Shah	Rent	1,20,000	1,20,000
M/s.Dixit Processors	Job Charges	-	33,756
M/s.Dixit Processors	Assets	-	97,07,270
M/s.Dixit Processors	Dyes and chemical	-	19,75,120
M/s.Dixit Processors	Stores and spares	-	29,500
Mahadev Enterprises	Job charges	24,13,562	66,09,830
Manoj Tiwari	Loan	4,00,000	-
Manoj Tiwari	Salary	4,12,500	4,72,500

(ii) Remuneration to key managerial personnel:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Mr. Himatlal Shah	13,40,000	40,00,000
Mr. Dixit Shah	13,40,000	40,00,000
Mr. Jignesh Shah	13,40,000	40,00,000
Mr. Manekchand Shah	13,40,000	40,00,000
Mr. Nitin Shah	26,80,000	80,00,000

(iii) Outstanding Balances

Name of the Party	March 31,2021 Amount in INR	March 31,2020 Amount in INR
(a) Receivables		
Jakharia Industries	1,02,308	1,23,92,195
(b) Investments		
M/s. Jakharia Industries	34,97,11,385	43,40,84,234
(c) Creditors		
Dixit Processors	71,16,240	72,66,240
Jakharia Industries	-	37,80,471
(d) Rent Payable		
Mr. Himatlal Shah	2,40,000	1,20,000
(f) Unsecured Loan		
Mr. Himatlal Shah	4,49,85,000	4,49,85,000
Mr. Dixit Shah	1,00,80,000	1,00,80,000
Mr. Jignesh Shah	3,35,29,961	3,35,29,961
Mr. Manekchand Shah	51,55,000	51,55,000
Mr. Nitin Shah	2,85,00,000	2,85,00,000
Mrs. Rinkal D Shah	49,28,156	49,28,156

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

30 Information regarding Foreign Exchange earnings and expenditure :

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Expenditure in Foreign Exchange	3,24,380	-
Total	**3,24,380**	-

31 Foreign Currency Balance:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Receivables	-	16,06,505

32 Employee Benefit Expenses:

a) Reconciliation of defined benefit obligation:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Present value of DBO at start of year	1,25,34,000	97,39,000
Current Service Cost	-	25,39,000
Interest cost	3,45,120	6,43,000
Benefits paid	-	-
Acturial Gain /(Loss) gain	-	(3,87,000)
Present value cost	1,28,79,120	1,25,34,000

b) Expenses recognised in Profit & Loss Account

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Current Service Cost	26,16,675	25,39,000
Interest cost	3,45,120	6,43,000
Benefits paid	-	-
Past service cost	-	-
Acturial Gain /(Loss) gain	-	(3,87,000)
Present value cost	29,61,795	27,95,000

c) Net liability /(assets) recognised in Balance Sheet

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Present value of DBO	1,28,79,120	1,25,34,000
Fair value of Plan Assets	-	-
Net Liabilty/ (Assets)	1,28,79,120	1,25,34,000
Less: Unrecognised Past Service Cost		
Liability /(assets) recognised in Balance Sheet	1,28,79,120	1,25,34,000
of which Short Term Provision	**30,54,000**	**30,54,000**

33 Contingent Liabilities:
(To the extent not provided for)

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Disputed Income-tax & TDS demand	3,33,200	6,73,364
Bank guarantee	94,91,600	89,91,600
	98,24,800	96,64,964

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Standalone Financial Statements

34 Corporate Social Responsibility (CSR):

As per section 135 of the Compnaies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPS guidelines no. F.No. 15 (13)/2013-DPE(GM), the Company is required to spend, in every financial year, at least two percent of the average net profits of the Compnay during the three immediately preceding fincaials years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	March 31,2021 Amount in INR	March 31,2020 Amount in INR
A. Amount required to be spent during the year	7,67,495	8,35,314
B. Amount Spent on CSR	-	-

During the period under review, the company has reported a loss. In view of the same, the company has not spend any amount towards CSR. The aggregate of un-spent amount for the previous years is Rs.37,85,436/-

35 The Company continues to consider the impact of COVID-19 pandemic in assessing the recoverability of receivable, intangible assets, and certain investments. For this purpose, the company has considered internal and external sources of information upto the date of approval of these financial results. The Company based on its judgements and estimates expects to fully recover the carrying amount of trade receivables, investments and other financial assets. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these standalone financial results and the company will continue to closely monitor any material changes to future economic conditions.

36 As per MCA notification dated 16 February 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI(Issue of capital and Disclosure Requirements) Regulations, 2009, are exempted from complusory requirement of adoption of IND-AS, as the company is covered under the exempted catogery, it has not adopted IND-AS for preparation of financial results.

37 Previous Year Figures :

Previous year figures have been regrouped to comply with current year groupings.

The accompanying notes are an integral part of Financial Statements
As per our Report of even date.

For, Shah Shroff & Associates
Chartered Accountants
FRN: 0128920W

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Partner
CA. Yashesh Shroff
Membership No. 103277

Jignesh H. Shah
Director
[DIN: 00256315]

Nitin Shah
Director
[DIN: 01869318]

Manoj Tiwari
Chief Financial Officer

Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWQ3639

Place: Bhiwandi
Date : 30-06-2021

INDEPENDENT AUDITORS' REPORT

To,
The Members of Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited)
Report on the audit of Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements ('the Statement') of **Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited) (hereinafter referred to as the "the Holding Company")** and its subsidiary (being an associate), (the Holding Company and its subsidiary (being an associate) together referred to as 'the Group), which comprise the Consolidated Balance Sheet as at 31/03/2021, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow for the year then ended, and Notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its subsidiary as at **31/03/2021**, its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group, 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 by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Emphasis of Matter

We draw attention to note no 36 to the consolidated financial statements which explains the uncertainties and management's assessment of financial impact due to lockdown / restrictions related to COVID-19 pandemic imposed by the Governments, for which a definitive assessment of impact is dependent upon future economic conditions.

Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding company's annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibility of Management and those charged with governance for consolidated financial statement

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its subsidiary (being an associate) in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its subsidiary (being an associate) are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its subsidiary (being an associate) are responsible for assessing the ability of the Group and of its subsidiary (being as associate) 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its subsidiary (being an associate) are responsible for overseeing the financial reporting process of the Group and of its subsidiary (being an associate).

Auditor's Responsibilities for the audit of consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 ability to of the Group and its subsidiary (being an associate) 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 consolidated 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 Group and its subsidiary (being an associate) to cease to continue as a going concern.

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

- Obtain sufficient audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors.

Materiality is the magnitude of misstatement in the consolidated financial statements, that individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

(i) 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 of the aforesaid Consolidated Financial Statements.

(j) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(k) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account and records maintained for the purpose of preparation of the consolidated financial statement.

(l) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(m) On the basis of the written representations received from the directors of the Holding Company as on 31/03/2021 taken on record by the Board of Directors of Holding Company, none of the directors is disqualified as 31/03/2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(n) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

(o) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(p) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

iv. The Group and its subsidiary (being an associate) has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.

v. The Group and its subsidiary (being an associate) does not have any long-term contracts including derivative contracts and therefore, no provision is required to be made for any material foreseeable losses to this effect.

vi. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its subsidiary (being an associate).

For Shah Shroff & Associates
Chartered Accountants
Firm Reg. No.: 0128920W

Sd/-
Yashesh Shroff
Partner
Membership No: 103277
UDIN: 21103277AAAAWR4553

Place: Mumbai
Date: 30-06-2021

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited).

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

In conjunction with our audit of the consolidated financial statements of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited) (hereinafter referred to as "the Holding company") as and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of Holding company and such companies incorporated in India under Companies Act 2013, which are subsidiary companies as on that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such financial controls were operating effectively as on March 31, 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essentials components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary (being an associate), which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

For Shah Shroff & Associates
Chartered Accountants
Firm Reg. No.: 0128920W

Sd/-
Yashesh Shroff
Partner
Membership No: 103277
UDIN: 21103277AAAAWQ3639

Place: Mumbai
Date: 30-06-2021

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Pvt Ltd.)

Consolidated Balance sheet as at March 31, 2021

Particulars	Note No.	31 March 2021 Amount in INR	31 March 2020 Amount in INR
I. **EQUITY AND LIABILITIES**			
(1) **Shareholders' Funds**			
(a) Share capital	2	406,38,300	406,38,300
(b) Reserves and surplus	3	3114,83,308	4304,34,090
		3521,21,608	**4710,72,390**
(2) **Non-Current Liabilities**			
(a) Long-term borrowings	4	1918,63,111	1982,32,180
(b) Deferred-tax liabilities (net)	5	-	11,95,161
(c) Long-term provisions	6	137,87,909	94,80,000
		2056,51,020	**2089,07,341**
(3) **Current Liabilities**			
(a) Short-term borrowings	7	168,50,717	248,41,716
(b) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	8	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	8	1972,56,878	1932,82,101
(c) Other current liabilities	9	432,67,181	396,65,460
(d) Short-term provisions	10	5,70,759	30,54,000
		2579,45,535	**2608,43,277**
TOTAL		**8157,18,163**	**9408,23,007**
II. **ASSETS**			
(1) **Non-current assets**			
(a) Property, Plant and Equipment			
(i) Tangible assets	11	1705,42,763	1837,65,853
(ii) Capital work in progress		241,02,390	241,02,390
(b) Non-current investments	12	3571,44,385	4415,17,234
(c) Deferred-tax asset (net)	5	44,43,205	-
(d) Long term loans and advances	13	761,18,080	658,52,146
(e) Other non-current assets	14	13,29,962	17,41,532
		6336,80,786	**7169,79,155**
(2) **Current Assets**			
(a) Inventories	15	402,61,991	396,64,874
(b) Trade receivables	16	1268,99,587	1705,76,580
(c) Cash and cash equivalents	17	94,49,324	90,82,532
(d) Short-term loans and advances	18	44,87,001	34,82,647
(e) Other current assets	19	9,39,475	10,37,220
		1820,37,378	**2238,43,853**
TOTAL		**8157,18,163**	**9408,23,007**
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWR4553

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd.)

Consolidated Statement of Profit and Loss account for the year ended March 31, 2021

	Particulars	Note No.	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
I	Revenue from operations	20	4132,95,324	8589,21,181
II	Other income	21	11,78,547	34,96,199
III	**Total Revenue (I+II)**		**4144,73,870**	**8624,17,380**
IV	**Expenses**			
	Cost of material consumed	22	2031,44,814	4587,83,434
	Changes in inventories of finished goods, work-in-progress and stock in trade	23	(15,84,304)	(57,79,675)
	Employee benefit expenses	24	783,58,136	1325,77,856
	Depreciation and amortization expenses	11	171,42,463	180,01,133
	Finance cost	25	105,04,747	99,78,460
	Other expenses	26	2313,29,741	2050,15,386
	Total expenses		**5388,95,596**	**8185,76,595**
V	**Profit before prior period items and tax (III) – (IV)**		(1244,21,726)	438,40,785
VI	**Exceptional items**			
	Prior period income/(expenses)		(1,67,422)	(12,29,749)
VII	**Profit before tax (V-VI)**		**(1245,89,148)**	**426,11,036**
VIII	**Tax Expense:**			
	Current tax		-	(140,50,000)
	Excess/(short) provision in earlier year		-	(5,53,823)
	Deferred tax		56,38,366	25,34,680
IX	Profit after tax for the year		**(1189,50,782)**	**305,41,893**
X	Earnings per equity share			
	Basic (Face value per share Rs.10/-)		(29.27)	7.52
	Diluted		(29.27)	7.52
	Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWR4553

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd.)
Consolidated Statement of Cash Flow for the year ended March 31, 2021

Particulars	31 March 2021 Amount in INR		31 March 2020 Amount in INR	
CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax		(1245,89,148)		426,11,036
Adjustments for				
Depreciation and amortization	171,42,463		180,01,133	
Dividend received	-		(10,000)	
Interest & fianancial cost	105,04,747		99,78,460	
Interest received	(5,18,456)	271,28,753	(5,54,206)	274,15,387
Operating profit before working capital changes		(974,60,394)		700,26,423
(Increase) \ decrease in operating assets				
Inventories	(5,97,116)		(92,77,780)	
Trade receivables	436,76,993		55,23,372	
Short term loans & advances	(10,04,354)		(20,42,993)	
Other non current assets	4,11,570		(2,78,555)	
Other current assets	97,745		(7,10,155)	
Trade payables	39,74,776		416,94,951	
Other current liabilities	36,01,722		96,85,981	
Long term provisions	43,07,909		24,29,000	
Short term provisions	(24,83,241)		3,66,000	
		519,86,004		473,89,820
Cash generated from operating activities		(454,74,390)		1174,16,242
Tax provision		-		(146,03,823)
Net cash flow from operating activities		(454,74,390)		1028,12,419
B. Cash flow from investing activities				
Purchase of fixed assets	(39,19,373)		(175,08,403)	
Interest received	5,18,456		5,54,206	
Investment in firm	843,72,849		(699,20,927)	
Net cash used in investing activities		809,71,931		(868,75,123)
Cash flow from financing activities				
Increase / (Decrease) long term borrowings	(63,69,068)		(20,53,632)	
Increase / (Decrease) in short term borrowings	(79,90,999)		(13,74,036)	
Increase / (Decrease) in long term loans & advances	(102,65,934)		(9,68,221)	
Interest & fianancial charges	(105,04,747)		(99,78,460)	
Dividend received	-		10,000	
Net cash used in financing activities		(351,30,748)		(143,64,348)
Net increase / (decrease) in cash and cash equivalents		3,66,793		15,72,952
Cash and cash equivalents (Opening balance)		90,82,532		75,09,580
Cash and cash equivalents (Closing balance)		**94,49,324**		**90,82,532**
Reconciliation of cash and cash equivalent with Balance Sheet				
Cash and cash equivalent as per balance sheet		107,79,286		108,24,064
Less: Deposit with banks with original maturity of 3-12 months		13,29,962		17,41,532
Cash and cash equivalent at the end of the year as per cash flow		**94,49,324**		**90,82,532**

As per our Report of even date
For Shah Shroff & Associates
Chartered Accountants
FRN:0128920W

Sd/-
Yashesh Shroff
Partner
Membership No. 103277

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWR4553

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Sd/-
Jignesh H. Shah
Director
[DIN: 00256315]

Sd/-
Nitin Shah
Director
[DIN: 01869318]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-06-2021

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)
Notes forming part of Consolidated Financial Statement

Corporate Information:
Jakharia Fabric Limited (JFL) is a public company and incorporated in India under the provisions of Companies Act, 1956 and its shares are listed on the SME platform (NSE Emerge) of the National Stock Exchange of India. The company is engaged in the business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines.
The Consolidated Financial Statement of the company for the year ended March 31, 2021, were approved by the board of directors and authorized for issue on June 30,2021.

Note 1: Significant Accounting Policies:

p) The Consolidated Financial Statement comprises Financial Statement of Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited) and its associate (Collective the group). The Consolidated Financial Statement of the company with its associate have been prepared in accordance with requirement of AS-23 Accounting for Investments in Associate in Consolidated Financial Statement using the equity method.
The associate consider in this Consolidated Financial Statement are:

Sr.No.	Name of the Associate	Country of Incorporation	Ownership in percentage	
			31.03.2021	31.03.2020
1	Jakharia Industries	India	96.01	96.76

q) Basis of preparation and presentation:
The Financial Statement of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these Financial Statement to comply in all material respect with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of Financial Statement are consistent with those of previous year.

r) Use of Estimates:
The preparation of Financial Statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

s) Current/Non -Current Classification:
All assets & liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013. Based on nature of business, the company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities.

t) Property, Plant and Equipment:
Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition for the intended use. Borrowing

costs attributable to the acquisition or construction of a qualifying asset are also capitalized as a part of the cost of the asset.

Capital work-in-progress and Capital advances:

Cost of assets not ready for intended use as on balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other Non-current Assets.

Depreciation on Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The estimated useful life of the assets is as under:

Particulars	Useful Lives of the Assets estimated by the management (years)
Factory Building	30
Building	60
Plant & Machinery*	25
Electrical & Fitting	10
Furniture & Fixtures	10
Vehicles	8
Computers	3
Air Conditioner	5
Laboratory	10
Office Equipment	5

*For this class of assets, based on internal technical assessment and past experience, the Management believes that the useful life as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

u) Impairment:

The carrying amounts of the Company's Property Plant and Equipment and intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an assets or its Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For calculating present value, future cash flows are discounted using a pre-tax discount rate that reflects current market rates and the risk specific to the assets. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Where an impairment loss subsequently reverses, the carrying amount of a n asset is increases to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

v) Investment in Associate:

Non-current Investments in partnership firm is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down to its recoverable amount.

The Company is one of the partners having capital contribution ratio and profit-sharing ratio to tune of about 96.01% in 'M/s. Jakharia Industries' (JI) a partnership firm wherein there are 5 other individual partners. According to the partnership deed (as amended from time to time), key business decisions need unanimous approval of all the partners of the firm, irrespective of their profit-sharing ratio and/or capital contribution ratio. JFL does not have exclusive power to control the activities of JI and in turn, influence the returns earned from its investment in JI. Therefore, the investment in JI is categorized as investment in Associate and is in line with AS-23.

w) Inventories:

Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

x) Borrowing Cost:

All borrowing costs are expensed in the period they are incurred. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

y) Revenue recognition:

Revenue from services rendered is recognized on the basis of completion of job and dispatch thereof to customers or on sale of products. Revenue is recognized on sale of products when no significant uncertainty as to its determination or realization exists.

z) Employee benefits:

Defined contribution plans and short-term employee benefits such as salary, bonus, provident fund etc. are charged to Profit & Loss account as incurred. The present value of the obligations under defined benefits plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit & Loss account.

aa) Foreign currency translation:

i. Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the standard exchange rate determined at the transaction date.

ii. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences:

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

3) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
4) All other exchange differences are recognized as income or as expenses in the period in which they arise.

bb) Taxes on Income:

Current Tax: Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
Deferred Tax: Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized.

cc) Provision & Contingencies:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

dd) Earnings Per Share:

Basic The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors.

ee) Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Jakharia Fabric Limited
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Notes forming part of Consolidated Financial Statements

2 Share Capital

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
AUTHORIZED SHARES		
50,00,000/-Equity shares of Rs.10/- each	5,00,00,000	5,00,00,000
Total	**5,00,00,000**	**5,00,00,000**
ISSUED , SUBSCRIBED & FULLY PAID-UP SHARES		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	4,06,38,300	4,06,38,300
	4,06,38,300	**4,06,38,300**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2021		March 31, 2020	
	Nos	Amount	Nos	Amount
At the beginning of the period	40,63,830	4,06,38,300	40,63,830	4,06,38,300
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**40,63,830**	**4,06,38,300**	**40,63,830**	**4,06,38,300**

(b) Terms/ rights attached to equity shares

The company has one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholding more than 5% equity shares in the Company:

Name of the shareholder	March 31, 2021		March 31, 2020	
	Nos	% holding in the class	Nos	% holding in the class
Nitin K Shah	9,12,833	22.46%	9,12,833	22.46%
Dixit M Shah	3,47,000	8.54%	3,47,000	8.54%
Manekchand Shah	5,05,833	12.45%	5,05,833	12.45%
Jakharia Synthetics Private Limited	6,15,000	15.13%	6,15,000	15.13%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3 Reserves & Surplus

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Securities Premium :		
Opening Balance	21,09,38,853	21,09,38,853
Add : Addition during the year	-	-
Closing Balance	21,09,38,853	21,09,38,853
Capital Redemption Reserves :		
Opening Balance	23,33,300	23,33,300
Add : Addition during the year	-	-
Closing Balance	23,33,300	23,33,300
Surplus/ (deficit) in the statement of profit and loss		
Opening Balance	21,71,61,933	18,66,20,040
Profit/(Loss) for the year	(11,89,50,782)	3,05,41,893
Net surplus in the statement of profit and loss	**9,82,11,151**	**21,71,61,933**
Total Reserves and Surplus	**31,14,83,308**	**43,04,34,090**

Jakharia Fabric Limited
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Notes forming part of Consolidated Financial Statements

4 Long Term Borrowings

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
A. Secured		
Term loans from bank	8,26,11,032	8,74,13,585
Vehicle loan from bank	9,59,532	13,57,119
Less : Current maturities of long term debt	(2,74,05,065)	(2,29,26,681)
(Amount disclosed under the head 'other current liabilities' refer note no. 9)		
A.....	**5,61,65,498**	**6,58,44,024**

Secured term loans taken from Bank

Particulars	Term Loan-1	LAP-1	LAP-2
Name of the bank	Kotak	Kotak	Kotak
Purpose	Acquiring Plant & machinery	Business	Business
Loan amount	2,88,00,000	6,93,00,000	3,00,00,000
Tenure	60 months	84 months	60 months
Repayment schedule - Number of equated monthly installments	60	84	54
Amount of equated monthly installment	4,17,777	17,68,241	4,49,195
Interest rate	MCLR+1.30%	MCLR+1.30%	MCLR+1.30%

Particulars	Finance Loan*	Used car Refinance Loan*	Guaranteed Emergency credit line
Name of the bank	HDFC	HDFC	Kotak
Purpose	Business	Business	Business
Loan amount	11,40,000	7,94,288	1,10,00,000
Tenure	48 months	53 months	48 months
Repayment schedule - Number of equated monthly installments	48	53	36
Amount of equated monthly installment	28,290	20,195	3,54,270
Interest rate	9.27%	14.00%	9.25%
Security:			
Primary:			
First and exclusive charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.			
* Secured by way of hypothication of specific vehicles.			
Collateral:			
a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane			
b. factory land & building situated at survey no.1/1 & 25/5, Devji Nagar, Near Shanti Sagar complex, Village Narpoli, Bhiwandi, Dist Thane-421302 owned by Mr. Himatlal Shah and Mr. Jignesh Shah.			
c. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah			
d. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah &Mr. Manekchand Shah			
e. Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.			
Guarantee:			
Personel Guarantee of following directors:			
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah,			

B. Unsecured		
From Bank and NBFC	1,34,31,614	-
Less: Current Maturities of Long Term Loan	(49,12,118)	-
(Amount disclosed under the head 'other current liabilities' refer note no. 9)		
From directors	12,22,49,961	12,74,60,000
From relatives of directors	49,28,156	49,28,156
B.....	**13,56,97,613**	**13,23,88,156**

Unsecured term loans taken from Bank

Particulars	IDFC First Bank Ltd	Fedral Bank Ltd	ICICI Bank Ltd
Purpose	Business	Business	Business
Loan amount	12,74,814	25,00,000	40,80,000
Tenure	36 months	18 months	24 months
Repayment schedule - Number of equated monthly installments	36	18	24
Amount of equated monthly installment	2,02,707	1,59,514	88,317
Interest rate	16.00%	18.00%	17.50%

Unsecured term loans taken from NBFC

Particulars	Bajaj Finance Ltd	Tata Capital Financial Se`rvice Ltd
Purpose	Business	Business
Loan amount	30,76,800	25,00,000
Tenure	36 months	36 months
Repayment schedule - Number of equated monthly installments	36	36
Amount of equated monthly installment	1,09,696	44,819
Interest rate	17.00%	16.00%

(A+B).....	**19,18,63,111**	**19,82,32,180**

Jakharia Fabric Limited
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Notes forming part of Consolidated Financial Statements

5 Deferred Tax Liabilities

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Deferred Tax Liabilities/(Assets) (Net)		
Depreciation	52,61,919	46,85,787
Business loss	(57,09,791)	-
Disallowance of expenses	(39,95,332)	(34,90,626)
	(44,43,205)	**11,95,161**

6 Long Term Provisions

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Provision for gratuity	1,37,87,909	94,80,000
	1,37,87,909	**94,80,000**

7 Short Term Borrowings

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Secured		
Cash credit facility from bank	1,38,50,717	2,18,41,716

The above cash credit facility from Kotak Bank is secured by following securities:

Primary:

Hypothecation & Mortgage of First and exclusive charge on all existing and future current assets, including moveable fixed assets of the borrower.

Collateral:

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
b. factory land & building situated at survey no.1/1 & 25/5, Devji Nagar, Near Shanti Sagar complex, Village Narpoli, Bhiwandi, Dist Thane-421302 owned by Mr. Himatlal Shah and Mr. Jignesh Shah.
c. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
d. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah &Mr. Manekchand Shah
e. Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.

Guarantee:

Personel Guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah,

Inter Corporate deposits	30,00,000	30,00,000
	1,68,50,717	**2,48,41,716**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

8 Trade Payables

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Creditors		
-for capital goods	1,21,64,925	1,35,08,804
-for raw material and others	17,64,74,167	17,06,28,535
-for expenses	86,17,786	91,44,762
	19,72,56,878	**19,32,82,101**

Micro, Small and Medium enterprises have been identified by the company on the basis of the information available.

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Dues remaining unpaid as at 31st March		
(a) Principal		
Interest on the above	-	-
(b) Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed paid during the year		
Principal paid beyond the appointed date		
Interest paid in terms of Section 16 of the act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Further interest due and payable even in the succeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at 31st March	-	-

9 Other Current Liabilities

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Current maturities of long term debts		
- secured	2,74,05,065	2,29,26,681
- unsecured	49,12,118	-
Statutory dues payable	18,53,527	26,80,168
Salaries and wages payable	86,99,845	1,35,59,182
Interest accrued but not due on bank fixed deposit	3,96,626	4,99,429
	4,32,67,181	**3,96,65,460**

10 Short-Term Provisions

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Provision for gratuity	5,70,759	30,54,000
	5,70,759	**30,54,000**

Jakharia Fabric Limited

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Notes forming part of Consolidated Financial Statements

11 Property, Plant & Equipment

As at March 31, 2021

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01.04.2020	Addition during the year	Disposal during the year	Value at the end of the period 31.03.2021	Value at the beginning 01.04.2020	Addition for the year	Disposal during the year	Value at the end of the period 31.03.2021	WDV as on 31.03.2021	WDV as on 31.03.2020
A. Tangible Assets										
Leasehold Land	2,73,51,966	-	-	2,73,51,966	-	-	-	-	2,73,51,966	2,73,51,966
Factory Building	3,74,71,096	-	-	3,74,71,096	2,19,94,197	14,70,305	-	2,34,64,503	1,40,06,593	1,54,76,898
Buiding at Tarapur	3,00,87,579	-	-	3,00,87,579	1,17,11,618	8,94,909	-	1,26,06,527	1,74,81,052	1,83,75,961
Plant & Machinery	27,86,71,387	37,28,700	-	28,24,00,087	16,15,02,164	1,32,70,345	-	17,47,72,509	10,76,27,578	11,71,69,223
Computer	8,68,873	1,49,658	-	10,18,531	7,83,856	72,998	-	8,56,854	1,61,676	85,017
Air Conditioner	13,17,816	41,016	-	13,58,831	11,03,493	1,02,576	-	12,06,069	1,52,762	2,14,323
Bike	1,98,405	-	-	1,98,405	1,85,896	3,239	-	1,89,135	9,270	12,509
Car	24,63,888	-	-	24,63,888	10,37,329	4,45,514	-	14,82,843	9,81,045	14,26,559
Roto Crate	3,29,480	-	-	3,29,480	98,590	41,791	-	1,40,381	1,89,099	2,30,890
Fire Extinguisher	2,53,467	-	-	2,53,467	2,43,180	4,636	-	2,47,817	5,650	10,287
Mobile	65,400	-	-	65,400	62,285	1,404	-	63,689	1,711	3,115
Factory Shade	5,56,559	-	-	5,56,559	3,30,274	21,497	-	3,51,771	2,04,788	2,26,285
EPBAX System	1,77,849	-	-	1,77,849	1,01,266	8,646	-	1,09,912	67,937	76,583
Laboratory	29,32,024	-	-	29,32,024	17,07,171	3,17,114	-	20,24,286	9,07,738	12,24,853
Furniture	12,32,347	-	-	12,32,347	10,01,678	59,720	-	10,61,398	1,70,948	2,30,669
LED TV	56,626	-	-	56,626	54,559	932	-	55,490	1,136	2,067
Electrical Goods	1,15,29,514	-	-	1,15,29,514	1,00,33,229	3,87,388	-	1,04,20,618	11,08,896	14,96,285
Electrical Installations	22,75,472	-	-	22,75,472	21,23,108	39,447	-	21,62,555	1,12,917	1,52,364
Total Property, Plant and Equipment	**39,78,39,747**	**39,19,373**	-	**40,17,59,120**	**21,40,73,895**	**1,71,42,463**	-	**23,12,16,358**	**17,05,42,763**	**18,37,65,852**
Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total Assets	**39,78,39,747**	**39,19,373**	-	**40,17,59,120**	**21,40,73,895**	**1,71,42,463**	-	**23,12,16,358**	**17,05,42,763**	**18,37,65,852**
As at March 31, 2020										
Total Assets	**38,03,31,345**	**1,75,08,403**	-	**39,78,39,747**	**19,60,72,762**	**1,80,01,133**	-	**21,40,73,895**	**18,37,65,853**	**18,42,58,583**

Jakharia Fabric Limited
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Notes forming part of Consolidated Financial Statements

12 Non-Current Investments

	March 31,2021 Amount in INR		March 31,2020 Amount in INR	
A. Investment in equity instruments (unquoted)				
(i) Shares of NKGSB Co- Operative Bank		1,00,000		1,00,000
B. Investment in Partnership Firms :				
(i) Capital Investment in Jakharia Industries				
Balance as per Last BalanceSheet	43,40,84,234		36,41,63,307	
Add : Capital introduced during the year	5,44,54,330		11,68,01,977	
Less : Withdrawals during the year	(4,03,91,083)		(4,05,08,178)	
Less: Share of Loss for the Year	(9,84,36,096)	34,97,11,385	(63,72,872)	43,40,84,234

The Partner -wise break-up of Capital and Profit Sharing ratio in M/s. Jakharia Industries is as under :-

Name of the Partner	Profit Sharing Ratio	Capital as on 31 March 2021 Amount in INR	Profit Sharing Ratio	Capital as on 31 March 2020 Amount in INR
M/s. Jakharia Fabrics Private Limited	96.01%	34,97,11,385	96.76%	43,40,84,234
Mr. Nitin Shah	0.76%	27,68,899	0.62%	27,68,899
Mr. Himmatlal Shah	0.76%	27,64,193	0.62%	27,64,193
Mr. Jignesh Shah	0.96%	34,78,704	0.78%	34,78,704
Mr. Dixit Shah	0.76%	27,64,193	0.62%	27,64,193
Mr. Maneckchand Shah	0.76%	27,64,193	0.62%	27,64,193
		36,42,51,569		44,86,24,418
Others				
Tarapur Environment Protection		73,33,000		73,33,000
TOTAL		**35,71,44,385**		**44,15,17,234**

13 Long Term Loans & Advances

	March 31, 2021 Rs.	March 31, 2020 Rs.
Balance with government authorities	4,90,68,065	4,64,30,067
Advance Income- tax (Net)	1,71,78,736	1,12,55,084
Security deposit	98,71,280	81,66,995
	7,61,18,080	**6,58,52,146**

14 Other Non-Current Assets

	March 31, 2021 Rs.	March 31, 2020 Rs.
Other Non-Current Assets		
Deposits with banks (with original maturity period of more than 12 months)	13,29,962	17,41,532
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	13,29,962	**17,41,532**

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Notes forming part of Consolidated Financial Statements

15 Inventories

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Inventories		
At cost or net realisable value, which ever is lower, except otherwise stated		
Raw material		
- Dyes and chemicals	88,09,631	85,20,707
- Others	15,26,254	28,02,365
Work in Progress		
- Fabrics	84,88,922	63,77,716
Finished Goods		
- Fabrics	2,14,37,184	2,19,64,087
	4,02,61,991	**3,96,64,874**

16 Trade Receivables

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Outstanding for a period exceeding six months from the date of Invoice		
Secured, Considered Good	-	-
Unsecured, Considered Good	1,45,00,925	1,45,00,925
Doubtful	-	-
Others		
Secured, Considered Good	-	-
Unsecured, Considered Good	11,23,98,662	15,60,75,655
Doubtful	-	-
Less: Provision for doubtful debts	-	-
	12,68,99,587	**17,05,76,580**

17 Cash and Bank Balances

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Cash and cash equivalents:		
Cash on hand	2,21,901	14,12,617
Balance with banks	4,29,651	2,64,588
Balance in fixed deposit accounts	1,01,27,734	91,46,859
	1,07,79,286	1,08,24,064
Less:Deposits with banks (with original maturity period of more than 12 months)	(13,29,962)	(17,41,532)
	94,49,324	**90,82,532**

18 Short-Term Loans and Advances

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Unsecured and Considered Good		
Advance to suppliers	26,42,604	9,717
Advance to employees	18,44,397	34,72,930
	44,87,001	**34,82,647**

19 Other Current Assets

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Unsecured and Considered Good		
Prepaid expenses	9,39,475	7,51,478
Other receivables	-	2,85,742
	9,39,475	**10,37,220**

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Notes forming part of Consolidated Financial Statements

20 Revenue from operations

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Sale of services		
Job work/sales	37,08,14,827	65,96,86,614
Sale of products		
Finished goods	4,24,80,496	19,92,34,568
	41,32,95,324	**85,89,21,181**
Details of finished goods		
Fabrics	4,24,80,496	19,92,34,568

21 Other income

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Dividend on shares	-	10,000
Interest on bank fixed deposit	5,18,456	5,54,206
Sundry credit balance written back	3,06,175	2,25,163
Interest on Vat refund	3,53,916	2,95,522
Vat refund	-	6,24,360
Interest on Income-tax refund	-	10,06,614
Foreign exchange gain	-	1,45,352
Other income	-	6,34,982
	11,78,547	**34,96,199**

22 Cost of materials consumed

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Other materials		
Opening stock	1,13,23,072	78,24,966
Add: Purchases		
Coal	5,56,83,256	9,80,80,765
Dyes and chemicals	8,82,94,589	15,93,24,990
Grey	3,32,63,473	16,29,47,218
Packing material	1,04,85,431	1,75,11,788
Stores and spares	1,37,95,035	2,10,24,643
Other materials	11,87,310	1,14,31,877
Less : Purchase return	(5,51,466)	(80,39,741)
Less: Closing stock	(1,03,35,885)	(1,13,23,072)
	20,31,44,814	**45,87,83,434**

23 Changes in inventories of finished goods and work-in-progress

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Opening stock		
Work-in-progress	63,77,716	56,01,428
Finished goods	2,19,64,087	1,69,60,700
	2,83,41,803	2,25,62,128
Less: Closing stock		
Work-in-progress	84,88,922	63,77,716
Finished goods	2,14,37,184	2,19,64,087
	(15,84,304)	**(57,79,675)**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

24 Employee benefits expenses

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Contribution to provident and other funds	8,62,425	18,63,228
Directors remuneration	80,40,000	2,40,00,000
Salary and wages	6,68,38,116	10,20,79,754
Staff welfare	4,62,301	13,34,141
Gratuity	18,24,668	27,95,000
Others	3,30,626	5,05,733
	7,83,58,136	**13,25,77,856**

25 Financial cost

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Interest expenses	80,52,663	77,88,397
Others*	24,52,084	21,90,063
	1,05,04,747	**99,78,460**

* including bank charges,processing fees etc.

26 Other expenses

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Manufacturing and service cost		
Cash discount	12,10,018	5,52,008
Consultancy	18,46,260	16,14,081
Jobwork / Subcontracting	5,01,90,004	8,43,61,983
Loading and unloading charges	28,85,419	39,45,464
Packing expenses	9,13,558	18,38,412
Power and fuel	3,38,36,984	5,50,95,498
Rent, rates and taxes	64,71,673	65,79,627
Repairs and maintenance	56,43,397	88,79,921
Water expenses	37,79,016	54,16,729
	10,67,76,329	**16,82,83,722**
Administrative & Selling expenses		
Brokerage	42,36,513	84,45,157
Computer expenses	2,93,000	1,52,811
Travelling, conveyance and petrol expenses	7,08,325	9,54,161
Courier charges	56,276	8,45,386
Exchange loss	36,866	-
GST ineligible	33,78,559	-
Donation	2,000	1,72,501
Insurance	14,17,668	13,96,033
Interest on statutory dues	86,640	1,11,668
Share of loss from partnership firm	9,84,36,096	63,72,872
Motor car expenses	2,26,602	2,38,041
Penalty	4,650	2,03,605
Printing and stationery	7,21,884	8,88,139
Provision for doubtful debts	52,18,813	-
Sundry expenses	8,29,919	11,27,177
Telephone expenses	90,219	1,09,745
Transport charges	83,09,382	1,52,14,368
Payment to Auditors (Note no.27)	5,00,000	5,00,000
	12,45,53,411	**3,67,31,664**
	23,13,29,741	**20,50,15,386**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

27 Remuneration to Auditors:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Audit Fees	3,50,000	3,50,000
Tax Audit Fees	1,50,000	1,50,000

28 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	March 31, 2021 Amount in INR	March 31, 2020 Amount in INR
Profit/ (Loss) After Tax	(11,89,50,782)	3,05,41,893

	March 31, 2021	March 31, 2020
Weighted average number of equity shares in calculating basic EPS		
Equivalent Weighted Avg number of Equity Shares at the end of the year	40,63,830	40,63,830
Diluted Weighted Avg number of Equity Shares at the end of the year / period	40,63,830	40,63,830
Earnings Per Share		
Basic EPS	(29.27)	7.52
Diluted	(29.27)	7.52

29 Related party disclosures:

(a) Names of related parties and related party relationship

Name of the Party	Description of Relationship
M/s. Jakharia Synthetics Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Industries	Enterprise over which directors have significant influence.
M/s. Dixit Processors	Enterprise over which directors have significant influence.
Mahadev Enterprises	Enterprise over which key managerial personnel have significant influence.
Key managerial personnel	
Mr. Himmatlal Shah	Whole Time Director
Mr. Jignesh Shah	Chairman cum Executive Director
Mr. Nitin Shah	Managing Director
Mr. Dixit Shah	Whole Time Director
Mr. Manekchand Shah	Whole Time Director
Mr. Anant Rajaram Sawant	Independent Director
Mr. Mukul Jayantilal Vora	Independent Director
Mrs. Rajashri Kovil	Independent Director
Mr. Manoj Tiwari	Chief Financial Officer

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

(b) Related Party Transaction

(i) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	Nature of Transaction	March 31,2021 Amount in INR	March 31,2020 Amount in INR
M/s. Jakharia Industries	Investments	1,40,63,247	7,62,93,799
M/s. Jakharia Industries	Job Charges	57,39,377	2,42,73,860
M/s. Jakharia Industries	Sales	2,69,816	1,27,36,020
Mr. Himmatlal Shah	Rent	1,20,000	1,20,000
M/s.Dixit Processors	Job Charges	-	33,756
M/s.Dixit Processors	Assets	-	97,07,270
M/s.Dixit Processors	Dyes and chemical	-	19,75,120
M/s.Dixit Processors	Stores and spares	-	29,500
Mahadev Enterprises	Job charges	24,13,562	66,09,830
Manoj Tiwari	Loan	4,00,000	-
Manoj Tiwari	Salary	4,12,500	4,72,500

(ii) Remuneration to key managerial personnel:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Mr. Himatlal Shah	13,40,000	40,00,000
Mr. Dixit Shah	13,40,000	40,00,000
Mr. Jignesh Shah	13,40,000	40,00,000
Mr. Manekchand Shah	13,40,000	40,00,000
Mr. Nitin Shah	26,80,000	80,00,000

(iii) Outstanding Balances

Name of the Party	March 31,2021 Amount in INR	March 31,2020 Amount in INR
(a) Receivables		
Jakharia Industries	1,02,308	1,23,92,195
(b) Investments		
M/s. Jakharia Industries	34,97,11,385	43,40,84,234
(c) Creditors		
Dixit Processors	71,16,240	72,66,240
Jakharia Industries	-	37,80,471
(d) Rent Payable		
Mr. Himatlal Shah	2,40,000	1,20,000
(f) Unsecured Loan		
Mr. Himatlal Shah	4,49,85,000	4,49,85,000
Mr. Dixit Shah	1,00,80,000	1,00,80,000
Mr. Jignesh Shah	3,35,29,961	3,35,29,961
Mr. Manekchand Shah	51,55,000	51,55,000
Mr. Nitin Shah	2,85,00,000	2,85,00,000
Mrs. Rinkal D Shah	49,28,156	49,28,156

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

30 Additional information as required under Schedule III of the Companies Act 2013:

	Net Asset i.e. assests minus total liabilities				Share in profit or loss account			
	March 31, 2021		March 31, 2020		March 31, 2021		March 31, 2020	
	Consolidated net assets	Amount	Consolidated net assets	Amount	Consolidated profit and Loss	Amount	Consolidated profit and Loss	Amount
Parent								
Jakharia Fabric Limited	100.00%	35,21,21,608	100.00%	47,10,72,390	100.00%	(11,89,50,782)	100.00%	3,05,41,893
Associate								
Jakharia Industries *	-	-	-	-	-	-	-	-
Total	**100.00%**	**35,21,21,608**	**100.00%**	**47,10,72,390**	**100.00%**	**(11,89,50,782)**	**100.00%**	**3,05,41,893**

* Investment in Associate i.e. Jakharia Industries is reflected after considering share of Proft/(Loss) for the year and hence no amount is reflected.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

31 Information regarding Foreign Exchange earnings and expenditure :

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Expenditure in Foreign Exchange	3,24,380	-
Total	**3,24,380**	-

32 Foreign Currency Balance:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Receivables	-	16,06,505

33 Employee Benefit Expenses:

a) Reconciliation of defined benefit obligation:

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Present value of DBO at start of year	1,25,34,000	97,39,000
Current Service Cost	-	25,39,000
Interest cost	3,45,120	6,43,000
Benefits paid	-	-
Acturial Gain /(Loss) gain	-	(3,87,000)
Present value cost	1,28,79,120	1,25,34,000

b) Expenses recognised in Profit & Loss Account

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Current Service Cost	26,16,675	25,39,000
Interest cost	3,45,120	6,43,000
Benefits paid	-	-
Past service cost	-	-
Acturial Gain /(Loss) gain	-	(3,87,000)
Present value cost	29,61,795	27,95,000

c) Net liability /(assets) recognised in Balance Sheet

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Present value of DBO	1,28,79,120	1,25,34,000
Fair value of Plan Assets	-	-
Net Liabilty/ (Assets)	1,28,79,120	1,25,34,000
Less: Unrecognised Past Service Cost		
Liability /(assets) recognised in Balance Sheet	1,28,79,120	1,25,34,000
of which Short Term Provision	**30,54,000**	**30,54,000**

34 Contingent Liabilities:
(To the extent not provided for)

	March 31,2021 Amount in INR	March 31,2020 Amount in INR
Disputed Income-tax & TDS demand	3,33,200	6,73,364
Bank guarantee	94,91,600	89,91,600
	98,24,800	96,64,964

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)

Notes forming part of Consolidated Financial Statements

35 Corporate Social Responsibility (CSR):

As per section 135 of the Compnaies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPS guidelines no. F.No. 15 (13)/2013-DPE(GM), the Company is required to spend, in every financial year, at least two percent of the average net profits of the Compnay during the three immediately preceding fincaials years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	March 31,2021 Amount in INR	March 31,2020 Amount in INR
A. Amount required to be spent during the year	7,67,495	8,35,314
B. Amount Spent on CSR	-	-

During the period under review, the company has reported a loss. In view of the same, the company has not spend any amount towards CSR. The aggregate of un-spent amount for the previous years is Rs.37,85,436/-

36 The Company continues to consider the impact of COVID-19 pandemic in assessing the recoverability of receivable, intangible assets, and certain investments. For this purpose, the company has considered internal and external sources of information upto the date of approval of these financial results. The Company based on its judgements and estimates expects to fully recover the carrying amount of trade receivables, investments and other financial assets. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these standalone financial results and the company will continue to closely monitor any material changes to future economic conditions.

37 As per MCA notification dated 16 February 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI(Issue of capital and Disclosure Requirements) Regulations, 2009, are exempted from complusory requirement of adoption of IND-AS, as the company is covered under the exempted catogery, it has not adopted IND-AS for preparation of financial results.

38 Previous Year Figures :

Previous year figures have been regrouped to comply with current year groupings.

The accompanying notes are an integral part of Financial Statements
As per our Report of even date.

For, Shah Shroff & Associates
Chartered Accountants
FRN: 0128920W

For and on behalf of the Board of Directors
of Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Pvt Ltd)

Partner
CA. Yashesh Shroff
Membership No. 103277

Jignesh H. Shah
Director
[DIN: 00256315]

Nitin Shah
Director
[DIN: 01869318]

Manoj Tiwari
Chief Financial Officer

Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-06-2021
UDIN: 21103277AAAAWR4553

Place: Bhiwandi
Date : 30-06-2021

NOTICE OF THE 14TH ANNUAL GENERAL MEETING

To,
The Members of
JAKHARIA FABRIC LIMITED
(CIN: L17200MH2007PLC171939)
OFFICE NO.1224, DEOJI NAGAR, NARPOLI VILLAGE, BHIWANDI, THANE – 421302.

Notice is hereby given that the **14th Annual General Meeting** of the members of **JAKHARIA FABRIC LIMITED** will be held on **Thursday, 30TH September, 2021 at 4.00 P.M**. through Video Conference (VC) / other Audio Visual means (OAVM) facility to transact with or without modification(s) the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited financial statements and Consolidated Audited Financial Statements of the Company for the year 2020-21 ended 31st March 2021, comprising of the Standalone & Consolidated Balance Sheet as at 31st March 2021, Standalone & Consolidated Statement of Profit & Loss and Standalone & Consolidated Statement of Cash Flow for the year 2020-21 ended 31st March 2021, together with the Report of the Statutory Auditors and Board's Report thereon

2. To re-appoint a Managing Director **Mr. NITIN KESHAVJI SHAH (DIN:01869318),** who retires by rotation and being eligible, offers himself for re-appointment.

NOTES:

I. **A major fire broke out in the factory of our Associate M/s. Jakharia Industries our associate entity located at Plot No J/1/1, MIDC Tarapur, Boisar District, Palghar - 401506 on 4th September, 2021. This being a sensitive information, the required intimation to the stock exchange has been given and the board will be including this unforeseen and unfortunate incidence in the forth coming board meeting on 6th September 2021.**

II. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), is not required in respect of the business under above Items. The relevant details of the Director seeking re-appointment under Item No. 2 , pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is provided in **Annexure A**.

III. Members may note that to protect the health and safety of all the stakeholders including the shareholders in view of the continuing COVID-19 pandemic, the 14th Annual General Meeting (“AGM”) of the members of the Company will be held as an electronic AGM (“e-AGM”) in virtual mode, through Video Conferencing (“VC”)/ Other permitted Audio Visual Means (“OAVM”), as permitted by the Ministry of Corporate Affairs (“MCA”) vide its circular No. 20/2020 dated May 05, 2020 read with circulars

dated 8th April 2020 and 13th April 2020, ("Collectively referred to as MCA circulars") and by the Securities and Exchange Board of India ("SEBI") vide its circular dated 12th May 2020. Accordingly, there will be no physical meeting of the shareholders taking place at a common venue in respect of the 14th AGM. Hence, Members have to attend and participate in the ensuing AGM though VC/OAVM.

IV. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

V. As per the MCA circular dated 13th January, 2021 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Notice of 14th AGM along with Annual Report has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository participant.

VI. Those Shareholders holding in physical mode whose email IDs/ Mobile number are not registered, are requested to register their email ID/ Mobile number with Registrar & Share Transfer Agent (RTA) by providing scanned copy of signed request letter by member submitting details viz Address, email ID, Bank Account details, PAN, DPID/Client ID or Folio Number and Number of shares held by them to enable to send communications by email.

VII. **All the Members need to send email on AGMparticipant@bigshareonline.com for VC joining link which will be mailed by RTA before 24 hours of AGM**.

VIII. The attendance of the Members attending the 14th AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

IX. In line with the Ministry of Corporate Affairs (MCA) Circular No. 20/2020 dated May 05, 2020, the Notice calling the 14th AGM has been uploaded on the website of the Company at https://www.jakhariafabric.com/investor-relationship. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com

X. 14th AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020. Instructions for members for attending the 14th AGM through VC/OAVM are given as **Annexure B**

XI. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulation (Including any statutory Modification or re-enactment thereof for the time being in force), the Company is not providing e-Voting facility and it is not mandatory to SME Listed Company to provide e-Voting Facility.

e-Voting Facility shall not apply to companies referred to in Chapter XB or Chapter XC of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "ICDR Regulations") along with

companies with less than 1000 members. Chapter XB of ICDR Regulations deals with the issue of specified securities by small and medium enterprises and chapter XC of the ICDR Regulations relates to listing on the exchange made possible without bringing on initial public offer by small and medium enterprises ("SMEs").

XII. The Register of Members and Share transfer Books of the Company will remain closed from **Thursday the 23rd September, 2021 to Thursday 30th September, 2021 (both days inclusive).** The Record date / cut-off date to determine the eligibility of members for the purpose of voting at the 14th AGM is **Tuesday, the 28th September, 2021.**

XIII. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA by e-mail to joyv@bigshareonline.com.

XIV. The Company's website is www.jakhariafabric.com. Annual Reports of the Company is made available on the Company's website.

XV. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to info@jakhariafabric.com

XVI. Our Company's shares are tradable compulsorily in electronic form and through Bigshare Services Pvt. Ltd., Registrars and Share Transfer Agents; we have established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE00N401018. As on March 31, 2021, 94.26% of our Company's Shares were held in dematerialized form and the rest are in physical form. To enable us to serve our investors better, we request shareholders whose shares are in physical mode to dematerialize shares and to update their bank accounts with the respective Depository Participants

XVII. In view of the Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. Physical as well as Demat, the Company has already appointed M/s. Bigshare Services Pvt. Ltd. as Registrar & Transfer Agent for both the modes of transfers i.e. Physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below:

BIGSHARE SERVICES PVT. LTD.
1st Floor, Bharat Tin Works Bldg.,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E), Mumbai – 400059

XVIII. The Company was not having any pending unclaimed dividend to be transferred to Investor Education and Protection Fund (IEPF) in Pursuant to the provisions of Section 125 of the Companies Act, 2013.

By order of the Board
For JAKHARIA FABRIC LIMITED

Sd/-
BHAVIN WAGHELA
COMPANY SECRETARY
DATE : 06.09.2021

REGISTERED OFFICE:
JAKHARIA FABRIC LIMITED
Office No.1224, Deoji Nagar,
Narpoli Village, Bhiwandi,
Thane - 421 302
Email:info@jakhariafabric.com

Annexure A

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Name	**Mr. NITIN KESHAVJI SHAH**
Directors Identification Number (DIN)	**01869318**
Age	**45 Years**
Qualification	**B. Com & Diploma in Textile Weaving Technology**
Expertise in Specific Area	**Experience of 20 Years in the field of Textile Weaving**
Date of first Appointment on the Board of the Company	**18th April, 2008 as Director** **31st March, 2018 as Managing Director**
Shareholding in JAKHARIA FABRIC LIMITED	**9,12,833 Equity Shares**
List of Directorship held in other companies	**None**
Membership/ Chairmanships of Audit and Stakeholders Remuneration Committee	**Member – Stakeholders Relationship Committee**

By order of the Board
For JAKHARIA FABRIC LIMITED

Sd/-
BHAVIN WAGHELA
COMPANY SECRETARY
DATE : 6.09.2021

REGISTERED OFFICE:
JAKHARIA FABRIC LIMITED
Office No.1224, Deoji Nagar,
Narpoli Village, Bhiwandi,
Thane - 421 302
Email:info@jakhariafabric.com