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, 2022

Company ID : JAKHARIA
ISIN : INE00N401018

Sub: Annual Report for the Financial Year 2021-22

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 2021-22.

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 FABRIC LIMITED

CIN: L17200MH2007PLC171939

15th ANNUAL REPORT

2021-2022

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

SHEJAL JIGNESH SHAH
Additional Director (Executive Director)

MUKUL VORA
Non-Executive Independent Director

AJITSINGH ARJUN GHORPADE
Additional Director (Non – Executive Independent Director)

JAWAHAR DESAI
Additional Director (Non – Executive Independent Director)

MANOJKUMAR TIWARI
CHIEF FINANCIAL OFFICER

BHAVIN WAGHELA
COMPANY SECRETARY & COMPLIANCE OFFICER

** Mr. Nitin Shah resigned on 6th April, 2022 from the post of Managing Director.*

STATUTORY AUDITORS
SHAH SHROFF & ASSOCIATES
CHARTERED ACCOUNTANTS

SECRETARIAL AUDITORS
KMC & 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,

FY- 2022 was a year for the economy to gradually recover from a highly impacted FY-2021, with the textile industry also staging a steady comeback. The pandemic followed by the ongoing war have been emotional and economic darkness that have divided the world and contributed to inflationary pressures and rising commodity prices.

During the first half of FY-2022 as your company was gradually recovering with increase in business, there was a disruption unforeseen in the form of a fire which broke out in the factory of the associate M/s Jakharia Industries at Tarapur. This resulted into a lot of drain on the financial and operational resources of the group. The production of the associate come to a halt and the recovery staged by the group in terms of business suffered a huge set-back. Since then, the production has commenced and the business of the group has staged a comeback, although leaving behind the scars of the fire which affected in cash-losses for the group as a whole for FY-2022. As has been said that after dark clouds, there is a light at the horizon. Similarly, after a prolonged difficult period of the last few years, the overall production stability and the business is already showing green-shots in our horizon. We are confident that business performance for the coming years would wipe out the scars of the past with buoyant growth.

I wish to thank all my colleagues on the Board and a special thanks to all our employees who coalesced together as one team during this difficult period and I would like to thank each one of them for their commitment. I would also like to thank the tenders and shareholders for their contribution and dedication by reposing faith in our company. I sincerely appreciate every team member for showing relentless effort during the year.

With best wishes,
Sincerely,
For JAKHARIA FABRIC LIMITED

Sd/-
Jignesh Shah
Chairman & Executive Director
(DIN: 00256315)

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 15th Annual Report together with the Audited Financial Statements of accounts of the Company for the Financial Year ended 31st March, 2022.

COMPANIES SPECIFIC INFORMATION:

1. FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March, 2022 & 31st March, 2021 are summarized below:

Particulars	(Rs. In lakhs)	
	2021-2022	2020-2021
Revenue from Operation	7510.57	4132.95
Other Income	30.62	11.78
Total Income	**7541.19**	**4144.73**
Expenses:		
Cost of Material consumed	4077.91	2031.45
Change in Inventory	0.07	(15.84)
Employee Benefit	1275.34	783.58
Finance Cost	92.44	105.05
Depreciation & Amortization Exp.	171.15	171.42
Other Expenses (including prior period expenses)	3253.98	2313.31
Total Expenses	**8870.89**	**5388.96**
Profit/ (Loss) Before Prior items and Tax	**(1329.71)**	**(1244.23)**
Prior Period Income / (expenses)	**(37.86)**	**(1.67)**
Net Profit Before Tax	**(1376.57)**	**(1245.90)**
Less :Tax Expenses		
- Current Tax	-	-
- Excess/(short) Provision in earlier year	(65.12)	-
- Deferred Tax	(16.71)	56.38
Net Profit/ (Loss) After Tax	**(1449.40)**	**(1189.52)**
Opening Balance of Profit & Loss A/c	**982.11**	2171.62
Add: Profit/ (Loss) for the year	**(1449.40)**	**(1189.51)**
Closing Balance of Profit & Loss A/c	**(467.28)**	**982.11**
- Earnings per share		
Basic	**(35.67)**	**(29.27)**
Diluted	**(35.67)**	**(29.27)**

2. OPERATIONAL PERFORMANCE:
Your Directors inform the members that the financial year 2021-2022 impacted the profitability of the company adversely.

The Total income during the year has increased by **81.95%** i.e. from **Rs. 4144.74 Lakhs** to **Rs. 7541.19 Lakhs** over the last year and the total expenditure of the company is **Rs. 8870.88 Lakhs.** The unexpected loss by fire, and the burden of penalty of the NGT Tribunal were the primary reasons for the same.

Note: During the F.Y. 2021-22, a major fire broke out in the factory of our Associate M/s. Jakharia Industries which is located at Plot No. J1/1, MIDC Tarapur, Boisar district, Palghar – 401506 on 4th September, 2021. The same is informed to the NSE on 4th September, 2021 and also press release for the same was given on 7th September, 2021 in the Newspapers. The same is also informed in the notes of Notice of the 14th AGM of the company.

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 Rs. 1449.39 Lakhs is reduced from the Reserve and Surplus Account for the year under review.

4. DIVIDEND:
The company has incurred loss during the year and with the intention to strengthen the financial position of the company, no dividend out of accumulated reserves is recommended by the Board for the financial year ended March 31, 2022. (previous year NIL)

5. CAPITAL STRUCTURE:
The Capital Structure of the Company as on 31.03.2022 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 fully paid up.

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, except provided below, 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 **i**mpacting the going concern status and company's operations in future **except the National Green Tribunal (NGT)**

Penalty amounting to Rs. 251.54 lakhs has been levied by NGT for alleged violation of environmental norms by the Company at its factory located at Tarapur MIDC. As per the directions of the Hon'ble Supreme Court dated December 14, 2020, the Company has deposited 30% of the penalty amounting to Rs. 75.46 lakhs which was disclosed as recoverable advance in financial year 2020-21. The order of penalty was stayed by the Honourable Supreme Court and has directed to hear the case afresh by giving opportunity to the concerned parties.

Pursuant to the directions of the Honorable Supreme Court dated December 14, 2020, NGT had reheard the matter and vide its direction dated 24th January, 2022 had reduced the portion of compensation attributable to the company for alleged violations of environmental norms of manufacturers at Tarapur MIDC to an amount of of Rs. 98.88 lakhs from Rs.251.51 lakhs. In view of the same the company has debited penalty amouting to Rs. 98.88 lakhs in the during the financial year 2021-22.

Apart from above, 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 FormMGT-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. <u>Constitution of the Board:</u>

The Board of directors comprise of total 9 (Nine) Directors, which includes 3 (Three) Independent directors. 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. <u>Board Independence</u>

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. Mukul Vora
(ii) Mr. Ajitsingh Arjun Ghorpade*****
(iii) Mr. Jawahar Desai*****

**Appointed as additional director (non- executive independent director) on 14th November, 2021.*

Mr. Anant Sawant and Mrs. Rajashri Kovil, Independent Directors resigned on 1st February, 2022.

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 Directors:

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 and the SEBI (LODR) Regulations, 2015 during the year 2021-22.

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. Dixit Manikchand Shah (DIN: 01911262), 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 are following changes in Directors:

Sr No.	Particulars	Date of Event
1.	Appointment of Mr. Jawahar Desai as Additional Director (Non- executive independent director)	14th November, 2021
2.	Appointment of Mr. Ajitsingh Ghorpade as Additional Director (Non- executive independent director)	14th November, 2021
3.	Appointment of Mrs. Shejal Shah as Additional Director (Executive Director)	14th November, 2021
4.	Cessation of Mrs. Rajashri Kovil from post of Independent Director	1st February, 2022
5.	Cessation of Mr. Anant Sawant from post of Independent Director	1st February, 2022

Mr. Nitin K. Shah, Managing Director of the Company resigned on 6th April, 2022.

CHANGES IN KEY MANAGERIA PERSONNEL

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

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 2021-22. 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	30.06.2021	8	8
2	06.09.2021	8	8
3	14.11.2021	8	8
4	01.02.2022	9	9
5	31.03.2022	9	9

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, 2022 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 reconstituted their Audit Committee on 1st February, 2022 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. There has been no instance where the Board of Directors had not accepted any recommendation of the Audit Committee.

During the financial year ended 31st March, 2022, 5 (Five) Audit Committee Meetings were held on the following dates:

(1) 30.06.2021 (2) 06.09.2021 (3) 14.11.2021
(4) 01.02.2022 (5) 31.03.2022

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

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Mukul Vora -Independent Director (Chairperson of committee)	5	5
2	Mr. Anant Sawant -Independent Director (Member of committee)*	3	3
3	Mr. Jignesh Shah - Chairman & Executive Director (Member of committee)	5	5
4	Mr. Jawahar Desai- Additional Independent Director (Member of committee)*	2	2

*Mr. Anant Sawant ceased to be a member of the Committee and Mr. Jawahar Desai was appointed as a member of the Committee w.e.f. 1st February, 2022.

II. Nomination and Remuneration Committee:

The Company has reconstituted their Nomination and Remuneration Committee on 1st February, 2022 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

During the financial year ended 31st March, 2022, 5 (Five) Nomination and Remuneration Committee Meetings were held on the following dates:

(1) 30.06.2021 (2) 06.09.2021 (3) 14.11.2021
(4) 01.02.2022 (5) 31.03.2022

The Reconstituted Nomination and Remuneration Committee comprises of the following Directors of the Company:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mrs. Rajashri Kovil - Independent Director (Chairperson of Committee)*	3	3
2	Mr. Jawahar Desai- Additional Independent Director (Chairperson of committee)*	2	2
3	Mr. Anant Sawant -Independent Director (Member of Committee)**	3	3
4	Mr. Ajitsingh Ghorpade- Additional Independent Director (Member of committee)**	2	2
5	Mr. Mukul Vora -Independent Director (Member of Committee)	5	5

*Mrs. Rajashri Kovil ceased to be the Chairperson of the Committee and Mr. Jawahar Desai was appointed as chairperson of the Committee w.e.f. 1st February, 2022.

**Mr. Anant Sawant ceased to be a member of the Committee and Mr. Ajitsingh Ghorpade was appointed as a member of the Committee w.e.f. 1st February, 2022.

III. Stakeholders' Relationship Committee:

The Company has reconstituted their Stakeholders' Relationship Committee on 1st February, 2022 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.

During the financial year ended 31st March, 2022, 5 (Five) Stakeholders' Relationship Committee Meetings were held on the following dates:

(1) 30.06.2021 (2) 06.09.2021 (3) 14.11.2021
(4) 01.02.2022 (5) 31.03.2022

The Reconstituted Stakeholders' Relationship Committee comprises the following Directors:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Anant Sawant -Independent Director (Chairperson of Committee)*	3	3
2	Mr. Ajitsingh Ghorpade-Additional Independent Director (Chairperson of Committee)*	2	2
3	Mrs. Rajashri Kovil -Independent Director (Member of Committee)**	3	3
4	Mr. Jawahar Desai- Additional Independent Director (Member of committee)**	2	2
5	Mr. Nitin Shah -Managing Director (Member of Committee)	5	5

*Mr. Anant Sawant ceased to be the Chairperson of the Committee and Mr. Ajitsingh Ghorpade was appointed as chairperson of the Committee w.e.f. 1st February, 2022.

**Mrs. Rajashri Kovil ceased to be a member of the Committee and Mr. Jawahar Desai was appointed as a member of the Committee w.e.f. 1st February, 2022.

IV. Corporate Social Responsibility (CSR) Committee:

The Company has reconstituted their CSR Committee on 1st February, 2022 in accordance with the provisions of section 135 of the Companies Act, 2013.

During the financial year ended 31st March, 2022, 2 (Two) Corporate Social Responsibility Committee Meetings were held on the following dates:

(1) 30.06.2021 & (2) 31.03.2022

The Reconstituted CSR Committee comprises the following Directors:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Anant Sawant -Independent Director (Chairperson of Committee)*	1	1
2	Mr. Jawahar Desai- Additional Independent Director (Chairperson of committee)*	1	1
3	Mr. Nitin Shah -Managing Director (Member of Committee)	2	2
4	Mr. Jignesh Shah -Chairman & Executive Director (Member of Committee)	2	2

*Mr. Anant Sawant ceased to be the Chairperson of the Committee and Mr. Jawahar Desai was appointed as chairperson of the Committee w.e.f. 1st February, 2022.

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 holding 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. KMC & ASSOCIATES**, Company Secretaries, Mumbai, [ICSI Membership No. FCS - F11427 & Certificate of Practice No. 17042], as the Secretarial Auditors of the Company for the financial year 2021-2022.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any major 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 2021-2022 forms part of the Annual Report as **"Annexure IV"** to the Board's report.

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

M/s. KMC & 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 2021-22.

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, 2022 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 2021- 22.

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 14th Annual General Meeting of the Company was held on 30.09.2021.

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 2021-2022 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 2022, 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 2021-2022.

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 of Directors for
JAKHARIA FABRIC LIMITED

Sd/-
JIGNESH SHAH
CHAIRMAN & EXECUTIVE DIRECTOR

DIN: 00256315

Place: BHIWANDI
Date: 07.09.2022

Annexure-I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2022

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.	97.15% 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-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% 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-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% 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. 1 lakh	96000	26666	122666	3.02	58400	26666	85066	2.09	-0.93
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	480000	206664	686664	16.90	669600	206664	876264	21.56	4.67
c) Others (Body Corporate)	330400	-	330400	8.13	269600	-	269600	6.63	-1.50
Non-Resident Indians	1600	-	1600	0.04	-	-	-	-	-0.04
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Members	-	-	-	-	-	-	-	-	-
Market Makers	156800	-	156800	3.86	70400	-	70400	1.73	-2.13
HUF	27200	-	27200	0.67	24000	-	24000	0.59	-0.08
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-2021]			No. of Shares held at the end of the year [As on 31-March-2022]			% 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-2021)		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-2022)	
		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	VINOD HARILAL JHAVERI	0	0.00	01.04.2021	-	0	0.00		
				04.03.2022	124800- Addition	124800	3.07		
				11.03.2022	80000- Addition	204800	5.04		
				31.03.2022	-	204800	5.04	**204800**	**5.04**
2	S K GROWTH FUND PVT LTD	36000	0.89	01.04.2021	-	36000	0.89		
				25.06.2021	10400- Addition	46400	1.14		
				09.07.2021	6400- Addition	52800	1.30		
				23.07.2021	8000- Addition	60800	1.50		
				27.08.2021	14400- Addition	75200	1.85		
				22.09.2021	42400- Addition	117600	2.89		
				17.12.2021	38400- Addition	156000	3.84		
				31.03.2022	-	156000	3.84	**156000**	**3.84**
3	NIRAJKUMAR PARMESWAR CHANDGOTHIA	110400	2.72	01.04.2021	-	110400	2.72		
				31.03.2022	-	110400	2.72	**110400**	**2.72**
4	SWAPNIL JAIN	44800	1.10	01.04.2021	-	44800	1.10		
				22.09.2021	50400-Addition	95200	2.34		
				31.03.2022	-	95200	2.34	**95200**	**2.34**
5	AJAY NARENDRA BANSAL	94400	2.32	01.04.2021	-	94400	2.32		
				31.03.2022	-	94400	2.32	**94400**	**2.32**
6	SANCHI SANJAY BANSAL	80800	1.99	01.04.2021	-	80800	1.99		
				31.03.2022	-	80800	1.99	**80800**	**1.99**
7	ARYAMAN CAPITAL MARKETS LIMITED	156800	3.86	01.04.2021	-	156800	3.86		
				23.04.2021	24000-Addition	180800	4.45		
				30.04.2021	31200-Reduction	149600	3.68		
				07.05.2021	6400- Reduction	143200	3.52		
				04.06.2021	70400- Reduction	72800	1.79		
				11.06.2021	47200- Reduction	25600	0.63		
				18.06.2021	1600- Reduction	24000	0.59		
				25.06.2021	800- Reduction	23200	0.57		
				30.06.2021	15200- Addition	38400	0.94		
				09.07.2021	800- Addition	39200	0.96		
				16.07.2021	800- Addition	40000	0.98		
				23.07.2021	800- Addition	40800	1.00		
				27.08.2021	33600- Addition	74400	1.83		
				04.03.2022	800- Addition	75200	1.85		
				11.03.2022	4800- Reduction	70400	1.73		
				31.03.2022	-	70400	1.73	**70400**	**1.73**
8	KRISHNA NAGIN MEHTA	44800	1.10	01.04.2021	-	44800	1.10		
				31.03.2022	-	44800	1.10	**44800**	**1.10**

9	ESCORP ASSET MANAGEMENT LIMITED	0	0.00	01.04.2021	-	0	0.00		
				30.04.2021	37600- Addition	37600	0.93		
				07.05.2021	6400- Addition	44000	1.08		
				31.03.2022	-	44000	1.08	**44000**	**1.08**
10	EMRALD COMMERCIAL LIMITED	0	0.00	01.04.2021	-	0	0.00		
				22.09.2021	24000- Addition	24000	0.59		
				19.11.2021	13600- Addition	37600	0.93		
				10.12.2021	5600- Addition	43200	1.06		
				31.03.2022	-	43200	1.06	**43200**	**1.06**
11	TIA ENTERPRISES PRIVATE LIMITED	75200	1.85	01.04.2021	-	75200	1.85		
				23.04.2021	28000- Reduction	47200	1.16		
				17.09.2021	18400- Reduction	28800	0.71		
				22.09.2021	28800- Reduction	0	0.00		
				31.03.2022	-	0	0.00	**0**	**0.00**
12	NOPEA CAPITAL SERVICES PRIVATE LIMITED	73600	1.81	01.04.2021	-	73600	1.81		
				04.06.2021	4000- Addition	77600	1.91		
				18.06.2021	50400- Addition	128000	3.15		
				25.06.2021	61600- Addition	189600	4.67		
				30.06.2021	5600- Addition	195200	4.80		
				30.09.2021	7200- Addition	202400	4.98		
				17.12.2021	2400- Reduction	200000	4.92		
				04.03.2022	124800- Reduction	75200	1.85		
				11.03.2022	75200- Reduction	0	0.00		
				31.03.2022	-	0	0.00	**0**	**0.00**
13	AKM LACE AND EMBROTEX LIMITED	40000	0.98	01.04.2021	-	40000	0.98		
				17.09.2021	40000- Reduction	0	0.00		
				31.03.2022	-	0	0.00	**0**	**0.00**
14	RIYAZ D BARAGIR	36000	0.89	01.04.2021	-	36000	0.89		
				17.12.2021	36000- Reduction	0	0.00		
				31.03.2022	-	0	0.00	**0**	**0.00**

*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	912833	22.46	-	-	-	-	**912833**	**22.46**

	(Managing 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	Mukul Jayantilal Vora (Non-Executive Independent Director)	800	0.02	-	-	-	-	**800**	**0.02**
7	Shejal Jignesh Shah* (Additional Director – Executive Director)	75000	1.85	-	-	-	-	**75000**	**1.85**
8	Ajitsingh Arjun Ghorpade** (Additional Director – Non Executive Independent Director)	-	-	-	-	-	-	**-**	**-**
9	Jawahar Desai** (Additional Director – Non Executive Independent Director)	-	-	-	-	-	-	**-**	**-**
10	ANANT RAJARAM SAWANT (Non-Executive Independent	-	-	-	-	-	-	**-**	**-**

	Director)***								
11	RAJASHRI RAJESH KOVIL (Non-Executive Independent Director)***	-	-	-	-	-	-	-	-
12	Manojkumar Jaiprakash Tiwari (C.F.O.)	-	-	-	-	-	-	-	-
13	Bhavin Waghela (Company Secretary)	-	-	-	-	-	-	-	-

**Mrs. Shejal Shah appointed as Additional Director (Executive Director) of the company w.e.f. 14th November, 2021;*

***Mr. Ajitsingh Ghorpade & Mr. Jawahar Desai appointed as Additional Directors (Non-Executive- Independent Directors) of the company w.e.f. 14th November, 2021;*

****Mr. Anant Sawant and Mrs. Rajashri Kovil ceased to be the Independent Directors of the company w.e.f. 1st February, 2022.*

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	983.40	1396.90	-	2380.30
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**983.40**	**1396.90**	**-**	**2380.30**
Change in Indebtedness during the financial year				
* Addition	125.53	-	-	125.53
* Reduction	(280.25)	(49.86)	-	(330.11)
Net Change	**(154.72)**	**(49.86)**	-	**(204.58)**
Indebtedness at the end of the financial year				

i) Principal Amount	828.68	1347.04	-	2175.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**828.68**	**1347.04**	**-**	**2175.72**

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 (Rs.in Lakhs)
		Himatlal Shah	Dixit Shah	Jignesh Shah	Manekchand Shah	Nitin Shah	Shejal Jignesh Shah*	
1	**Gross salary**							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.75	13.75	13.75	13.75	27.50	-	**82.50**
	(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 Bonus**	-	-	-	**-**		**-**	**-**
	Total (A)	**13.75**	**13.75**	**13.75**	**13.75**	**27.50**	**-**	**82.50**
		Ceiling as per the Act – As per Schedule V and Section 197 of the Companies Act, 2013						

**Mrs. Shejal Shah appointed as Additional Director (Executive Director) of the company w.e.f. 14th November, 2021;*

B. Remuneration to other directors#

SN.	Particulars of Remuneration	Name of Directors					Total (Rs. In lakhs)
1	Independent Directors	Rajashri Rajesh Kovil*	Anant Rajaram Sawant*	Mukul Jayantilal Vora	Ajitsingh Arjun Ghorpade**	Jawahar Desai**	
	Fee for attending board committee meetings	-	-	-	0.15	-	0.15
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	0.15	-	0.15
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	**0.15**	**-**	**0.15**
	Total Managerial Remuneration	-	-	-	-	-	-

`#All the Directors have waived the Directors siting fees except Mr. Ajitsingh Ghorpade

**Mr. Anant Sawant and Mrs. Rajashri Kovil ceased to be the Independent Directors of the company w.e.f. 1st February, 2022.*

***Mr. Ajitsingh Ghorpade & Mr. Jawahar Desai appointed as Additional Directors (Non-Executive- Independent Directors) of the company w.e.f. 14th November, 2021;*

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 (Rs. In Lakhs)
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	3.00	4.88	7.88
	(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**	**4.88**	**7.88**
	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 order of the Board of Directors for
JAKHARIA FABRIC LIMITED

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

Place: BHIWANDI
Date: 07.09.2022

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 (2021-22)	Previous Year (2020-21)
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.)	71.86 471.03 6.55	45.51 305.72 6.72
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		

By order of the Board of Directors for
JAKHARIA FABRIC LIMITED
Sd/-

Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 07.09.2022

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 Company has 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 as on 31st March, 2022

I. Mr. Jawahar Desai: Additional Director (Non-Executive - Independent Director) - Chairperson

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:

As per section 135 of the Companies 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 Company during the three immediately preceding financials years in accordance with its CSR Policy.

During the period under review, the company did not meet this criteria and therefore was not required to spend any amount towards CSR activity. However, the company has accumulated unspent CSR amounts aggregating to Rs.37.86 lacs of the previous years.

Due to continued losses in the past 2 years, the company has not been able to spent the said amounts, nor transfer the same to a separate bank account. The company has made a suitable provision for the said prior period unspent CSR amount in the present financial year.

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By order of the Board of Directors for
JAKHARIA FABRIC LIMITED

Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 07.09.2022

ANNEXURE-IV

FORM MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE PERIOD 01-04-2021 TO 31-03-2022

To,
The Board of Directors
JAKHARIA FABRIC LIMITED
OFFICE NO.1224, DEOJI NAGAR,
NARPOLI VILLAGE BHIWANDI
Thane MH 421302

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAKHARIA FABRIC LIMITED (CIN NO. L17200MH2007PLC171939)** (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 my opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the Company has, during the audit period from **1st April, 2021 to 31st March, 2022 ("the reporting period"),** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the period from 1st April, 2021 to 31st March, 2022 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, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations, 2011;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2021;
d) The Securities and Exchange Board of India (Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not during the financial year under review.
e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable during the financial year under review.
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)Regulations, 1993 regarding the Companies Act and dealing with client;
g) The Securities and Exchange Board of (Delisting of Equity Shares) Regulations, 2021; and Not applicable during the financial year under review.
h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; Not applicable during the financial year under review.

i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
j) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
k) The Memorandum and Articles of Association.

(vi) We have relied on the representation made by the Company there are no laws which may be specifically applicable to the Company during the audit period.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Uniform listing Agreements entered into by the company with BSE Limited and National Stock Exchange of India Limited.
(iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

I further report that:

I have not reviewed the Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company as the same has been subject to review by the Statutory Auditors and others designated professionals.
During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc as mentioned above.
I 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, subject to the above. 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 notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

FOR KMC & ASSOCIATES
Practicing Company Secretaries

Sd/-
KINJAL CHANDARANA
M. No. F11427
COP No. 17042
UDIN: F011427D000907674
PR NO. : 1320/2021

Place: Mumbai
Date: 03/09/2022

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

ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT

To,
The Board of Directors
JAKHARIA FABRIC LIMITED
OFFICE NO.1224, DEOJI NAGAR,
NARPOLI VILLAGE BHIWANDI
Thane MH 421302

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

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.

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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

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

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

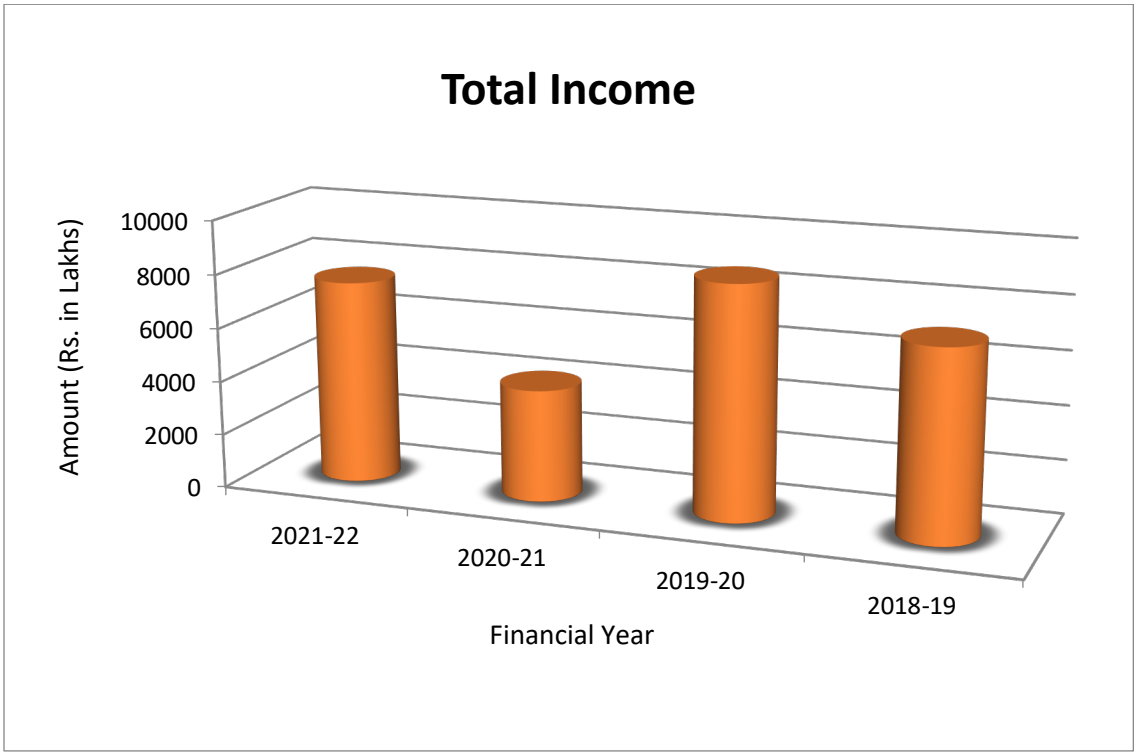
The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

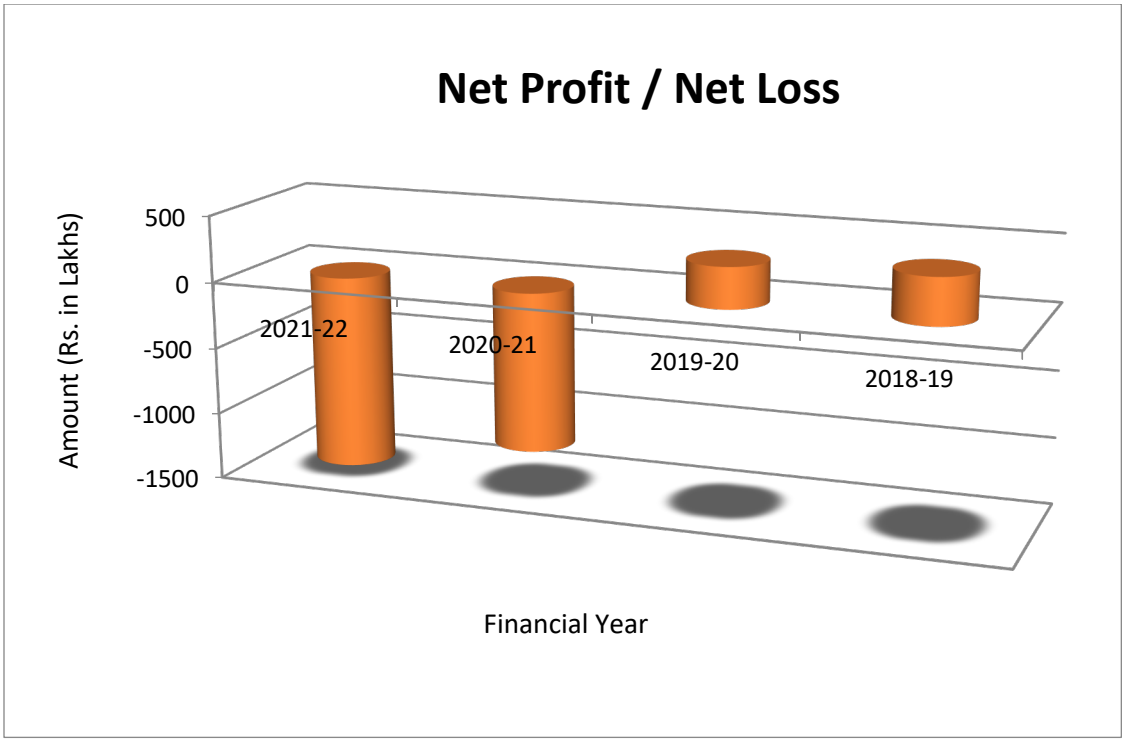
FOR KMC & ASSOCIATES
Practicing Company Secretaries

Sd/-
KINJAL CHANDARANA
M. No. F11427
COP No. 17042
UDIN: F011427D000907674
PR NO. : 1320/2021

Place: Mumbai
Date: 03/09/2022

ANNEXURE-V
MANAGEMENT DISCUSSION AND ANALYSIS REPORT





The management discussion and analysis report provides an over view of the financial activities for the fiscal year ended on 31st March 2022, 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 last two years the country's economy has seen turbulence and uncertainty in terms of COVID – 19. Economic activity which was recovering with the ebbing of the third wave, rapid stride towards universal vaccination, and supportive fiscal and monetary policies now faces significant headwinds from the exacerbating geopolitical developments and the accompanying sharp rise in global commodity prices and weakening global growth outlook. The global recovery from the COVID-19 pandemic is turning out to be muted relative to earlier expectations. Downside risks to even this subdued recovery have jumped significantly from the escalation of geopolitical tensions, which have led to a broad-based increase in global commodity prices and are expected to have a large negative impact on global trade and growth. Growth and inflation outcomes are at high risk across the world as well as in India. In the face of this extraordinary risk, the positive effects expected from the release of pent-up demand, especially for contact-intensive services, the government's thrust on infrastructure and capital expenditure, congenial financial

conditions and improving capacity utilisation appear ephemeral.

Industry Structure and Developments

The home textiles market in India is growing due to the growing affluence levels of Indian consumers who are becoming more and more demanding. The growth in the Indian home textiles is supported by increasing population, rising income levels, increase in organized retail, and growth of end-use sectors like housing, hospitality, healthcare. Increasing efforts in quality improvement, innovations through R&D programs, and other preferential value-added features have helped India's home textile products become more popular in the global market.

Opportunities & Threats

High cotton prices this has become a subject of concern to the domestic textile industry. The government has removed a 5% basic customs duty on cotton imports which will help to stabilise cotton prices. Shortage in supply with increased prices of cotton would be threat for continuity of supply.

While the industry continues to be influenced by wild swings in commodity prices, it is also facing major challenges in the form of hike in fuel price, increasing wages and raw material costs. Key threats for the brand continue to be the constant inflow of cheaper alternatives from the unorganized sector as well as inflow of low priced material from neighbouring countries.

Outlook

The Company is currently operating with a lean cost business model. Retail Division has taken necessary steps to reduce the credit risk and increased the distribution. The Indian economy is heading towards a steady recovery, which we could see during the festive season of FY'22.

Consumers are already back to shopping with a renewed positivity. We are looking at the new fiscal year with positivity around markets and consumer predilections.

Risks and Concerns

The price of cotton has risen too much now, which is a major concern for the textile industry. However with the abolition of import duty, prices should cool down.

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.

By order of the Board of Directors for
JAKHARIA FABRIC LIMITED

Sd/-
Jignesh Shah
Chairman & Executive Director
DIN: 00256315
Place: BHIWANDI
Date: 07.09.2022

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 2021-2022 (in Rs.)	Remuneration for the year 2020-2021 (in Rs.)	% Increase/ decrease in Remuneration	Ratio between Director or KMP and Median Employee
1	Jignesh Shah	Chairman & WTD	13,75,000	13,40,000	2.61%	5.03 : 1
2	Nitin Shah	Managing Director	27,50,000	26,80,000	2.61%	10.07 : 1
3	Dixit Shah	Whole Time Director	13,75,000	13,40,000	2.61%	5.03 : 1
4	Manekchand Shah	Whole Time Director	13,75,000	13,40,000	2.61%	5.03 : 1
5	Himatlal Shah	Whole Time Director	13,75,000	13,40,000	2.61%	5.03 : 1
6	Anant Sawant*	Independent Director	-	-	-	-
7	Mukul Vora	Independent Director	-	-	-	-
8	Rajashri Kovil*	Independent Director	-	-	-	-
9	Shejal Jignesh Shah**	Additional Independent Director	-	-	-	-
10	Ajitsingh Arjun Ghorpade***	Additional Independent Director	-	-	-	-
11	Jawahar Desai***	Additional Director	-	-	-	-
12	Manoj Tiwari	Chief Financial Officer	4,88,000	4,12,500	18.30%	1.78 : 1
13	Bhavin Waghela	Company Secretary	3,00,000	3,00,000	-	1.09 : 1

**Mr. Ananat Sawant and Mrs. Rajashri Kovil ceased to be Independent Director w.e.f. 1st February, 2022*
*** Mrs. Shejal Shah appoited as Additional Director (Executive Director) w.e.f. 14th November, 2021*
****Mr. Ajitsingh Ghorpade and Mr. Jawahar Desai appoited as Additional Directors (Non-Executive Director – Independent Director) w.e.f. 14th November, 2021*

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. 2,73,000/- during the year 2021-22 as compared to Rs. 2,29,000/- in the previous year 2020-2021. On-roll employees were 176 in the financial year 2021-2022 as compared to 129 in the financial year 2020-2021..

D. Number of permanent employees on the rolls of company

As on 31st March, 2022 the total number of employees on the roll was 176.

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 10% 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
For JAKHARIA FABRIC LIMITED

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

Place: BHIWANDI
Date: 07.09.2022

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, 2022
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. 28,10,77,000
Extent of Holding (in percentage)	97.15% 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 31.03.2022)	Rs. 28,10,77,000
7. Profit or (Loss) for the year	
i. Considered in Consolidation	(Rs. 10,65,53,000)
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/-
HIMATLAL P. SHAH
Director
DIN : 02415630

Sd/-
Manoj Tiwari
Chief Financial Officer

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

Place: BHIWANDI
Date:07.09.2022

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 31st March 2022, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state-of-affairs of the Company as at 31st March 2022, and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, 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 audit opinion on the standalone financial statements.

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, for the year ended 31st March 2022 and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matters	How was the matter addressed in our audit
Exposure in associate entity	
The exposure in associate entity i.e. carrying amount of the Company's investments, loans and advances, trade & other receivables. Their recoverability is dependent on associate entity generating enough cash flows in future, estimation of which requires significant management judgement. We do not consider valuation of these investments and recovery of associate receivables, payables to be at a high risk of significant misstatement. However, due to their materiality in the context of the Company's financial statement, this is considered to be the area that had a significant effect on the company audit. Refer Note 12 and Note 40 forming part of the notes to the Standalone Financial Statements.	We compared the carrying value of these investments, loans and advances, trade & other receivables and trade payables with the associate financial statements to identify whether their net assets were in excess of their carrying amount and assessed whether the associate have historically been profitmaking. We evaluated the associate entity projected statement of profit and loss and projected statement of cash flows with management assumptions relating to key inputs such as projected long-term growth and discount rates and assessing the managements assumptions over the recoverability of intercompany receivables against our own knowledge of the trading performance of the associate entity. Assessed the appropriateness of the disclosure in the Standalone Financial Statements in accordance with the applicable financial reporting framework.

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 and presentation 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 the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable users of the standalone financial statement 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 standalone financial statements.

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, 2020 ("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, the statement of Cash Flows and Notes to the standalone financial statements 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 31/03/2022 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2022 from being appointed as a director in terms of Section 164 (2) of the Act.
(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
(g) With respect to the other matters to be included in the 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- refer note no 36 to the 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.
iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the noted to the accounts, no funds have been advanced or loaned or invested (either

from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.

v. Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPGWB9790

Place: Mumbai
Date: 30-05-2022

"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 31st March 2022)

(i) (a) According to the information and explanations given to us, the Company has ***not*** maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE").

(b) As explained to us, all the Property, Plant and Equipment ("PPE") 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 activities. 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.

(d) The company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) 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 verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us, the company has not been sanctioned working capital in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under sub-clause 3(ii)(b) of the order is not applicable.

(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), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) The company has not advanced loans to directors including the entities in which they are interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments, loans, securities and guarantees given have been complied with by 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 not been regularly deposited during the year by the Company with the appropriate authorities though the delays in deposits have not been serious.

(b) According to the information and explanations given to us and the records examined by us, outstanding statutory 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
Income-tax Act, 1961	Income Tax	2016-2017	CPC, Bangalore	3,30,590

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) 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 lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) The Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of the Order is not applicable

(d) According to the information and explanations given to us and on an overall examination of the financial statement of the company, we report that, prima-facia it appears that no funds raised on short-term basis have been used for long-term purpose by the company.

(e) According to the information and explanation given to us, and on an overall explanation of the financial statements of the company, we report that during the year the company has not taken any funds from an entity or person, on account of or to meet the obligation of its subsidiary or associate entity.

(f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures and associate companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).

(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) In our opinion the company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of the entity.

(b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedure.

(xv) The Company has not entered into non-cash transactions with its directors or persons connected with them and hence provision of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence, reporting under clause (xvi)(a), (b) and (c) of the order is not applicable.

(xvii) The company has incurred cash losses amounting to Rs.134.06 lacs during the current financial year covered by our audit and Rs.40.61 lacs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the company during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 42 of the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) During the year under review, the company did not get attracted under the provision of Section 135 and accordingly, reporting under clause 3(xx) of the order is not applicable for the year. However, the company has unspent amounts of the previous year aggregating to Rs.37.86 lakhs for which suitable provisions have been made in the financial statements. This matter has been disclosed in note 37 to the standalone financial statements.

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPGWB9790

Place: Mumbai
Date: 30-05-2022

"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 31st March 2022, 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 31st March 2022, 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
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPGWB9790

Place: Mumbai
Date: 30-05-2022

Jakharia Fabric Limited
(Formedy known as Jakharia Fabric Private Limited)
Standalone Balance sheet as at 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I. **EQUITY AND LIABILITIES**			
(1) **Shareholders' funds**			
(a) Share capital	3	406.38	406.38
(b) Reserves and surplus	4	1,665.44	3,114.83
		2,071.82	**3,521.21**
(2) **Non-Current Liabilities**			
(a) Long-term borrowings	5	1,597.57	1,918.62
(c) Long-term provisions	6	144.46	137.88
		1,742.03	**2,056.50**
(3) **Current Liabilities**			
(a) Short-term borrowings	7	578.16	461.68
(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	2,516.91	2,002.57
(c) Other current liabilities	9	298.66	109.51
(d) Short-term provisions	10	147.00	5.71
		3,540.73	**2,579.47**
TOTAL		**7,354.58**	**8,157.18**
II. **ASSETS**			
(1) **Non-current assets**			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11	1,690.21	1,705.43
(ii) Capital work-in-progress		-	241.02
(b) Non-current investments	12	2,885.10	3,571.44
(c) Deferred-tax assets (net)	13	27.72	44.43
(d) Long-term loans and advances	14	671.75	662.47
(e) Other non-current assets	15	87.50	112.01
		5,362.28	**6,336.80**
(2) **Current Assets**			
(a) Inventories	16	464.34	402.62
(b) Trade receivables	17	1,394.75	1,268.99
(c) Cash and cash equivalents	18	95.86	94.51
(d) Short-term loans and advances	19	30.90	44.87
(e) Other current assets	20	6.45	9.39
		1,992.30	**1,820.38**
TOTAL		**7,354.58**	**8,157.18**
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
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

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

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-05-2022

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Private Limited)

Standalone Statement of Profit and Loss account for the year ended 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I	Revenue from operations	21	7,510.57	4,132.95
II	Other income	22	30.61	11.78
III	**Total Income (I+II)**		**7,541.18**	**4,144.73**
IV	**Expenses**			
	Cost of material consumed	23	4,077.91	2,031.44
	Changes in inventories of finished goods and work-in-progress	24	0.07	(15.84)
	Employee benefits expense	25	1,275.34	783.58
	Depreciation and amortization expenses	26	171.15	171.42
	Finance cost	27	92.44	105.05
	Other expenses	28	3,253.98	2,313.31
	Total expenses		**8,870.89**	**5,388.96**
V	**Profit before exceptional items and tax (III – IV)**		(1,329.71)	(1,244.23)
VI	**Exceptional items**			
	Prior period income/(expenses)	29	(37.86)	(1.67)
VII	**Profit before tax (V-VI)**		**(1,367.57)**	**(1,245.90)**
VIII	**Tax Expense:**			
	Excess/(short) provision in earlier year		(65.12)	-
	Deferred tax		(16.71)	56.38
IX	Profit/(loss) after tax for the year		**(1,449.40)**	**(1,189.52)**
X	Earnings per equity share			
	(1) Basic (Face value per share Rs.10/-)		(35.67)	(29.27)
	(2) Diluted		(35.67)	(29.27)
	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
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

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

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date : 30-05-2022

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Standalone statement of cash flow for the year ended 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
Cash flow from operating activities:				
Profit before tax		(1,367.57)		(1,245.90)
Adjustments for				
Depreciation and amortization	171.15		171.42	
Provision for doubtful debts	14.84		52.19	
Sundry credit balance written back (net)	(5.19)		(3.06)	
Profit on sale of machinery	(12.39)		-	
Foreign exchange gain	(0.44)		0.37	
Interest & fianancial cost	92.44		105.05	
Interest received	(4.92)	255.47	(5.18)	320.79
Operating profit before working capital changes		(1,112.10)		(925.11)
(Increase) \ decrease in operating assets				
Inventories	(61.72)		(5.97)	
Trade receivables	(140.13)		384.23	
Short term loans & advances	13.97		(10.04)	
Other non current assets	24.51		4.12	
Other current assets	2.94		0.98	
Trade payables	519.53		42.81	
Other current liabilities	189.15		36.02	
Long term provisions	6.58		43.08	
Short term provisions	141.29	696.11	(24.83)	470.38
Cash generated from operating activities		(415.98)		(454.72)
Tax provision		(65.12)		-
Net cash flow from operating activities		(481.11)		(454.72)
B. Cash flow from investing activities				
Purchase of fixed assets	(171.51)		(39.19)	
Sale of fixed assets	269.00			
Interest received	4.92		5.18	
Investment in firm	686.34		843.73	
Net cash used in investing activities		788.75		809.72
Cash flow from financing activities				
Increase / (Decrease) long term borrowings	(321.05)		(63.69)	
Increase / (Decrease) in short term borrowings	116.48		(79.91)	
Increase / (Decrease) in long term loans & advances	(9.29)		(102.66)	
Interest & fianancial charges	(92.44)		(105.05)	
Net cash used in financing activities		(306.30)		(351.31)
Net increase / (decrease) in cash and cash equivalents		1.35		3.69
Cash and cash equivalents (Opening balance)		94.51		90.83
Cash and cash equivalents (Closing balance)		**95.86**		**94.51**
Reconciliation of cash and cash equivalent with Balance Sheet				
Cash and cash equivalent as per balance sheet		110.08		107.81
Less: Deposit with banks with original maturity of 3-12 months		14.22		13.30
Cash and cash equivalent at the end of the year as per cash flow		**95.86**		**94.51**

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

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

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

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-05-2022

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

Note 1: 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 31st March 2022, were approved by the board of directors and authorized for issue on 30th May 2022.

Note 2: 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.

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 compulsory requirement of adoption of IND-AS, as the company is covered under the exempted category, it has not adopted IND-AS for preparation of financial results.

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.

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 97.15% 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. Accordingly, the investment in JI has been accounted under the equity method and the same is in line as required by 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.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

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

(Amount ₹ in lakhs, unless otherwise mentioned)

3 Share capital

	As at 31st March 2022	As at 31st March 2021
AUTHORIZED SHARES		
50,00,000/-Equity shares of Rs.10/- each	500.00	500.00
Total	**500.00**	**500.00**
ISSUED , SUBSCRIBED & FULLY PAID-UP SHARES		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	406.38	406.38
	406.38	**406.38**

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

	As at 31st March 2022		As at 31st March 2021	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the period	40,63,830	406.38	40,63,830	406.38
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**40,63,830**	**406.38**	**40,63,830**	**406.38**

(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	As at 31st March 2022		As at 31st March 2021	
	Number of shares	% of holding	Number of shares	% of holding
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.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

(d) Disclosure of shareholding of promoters:

Disclosure of shareholding of promoters as at 31st March 2022 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at 31st March 2022		As at 31st March 2021		
	Number of shares	% of total shares	Number of shares	% of total shares	
Jignesh Himatlal Shah	1,37,000	3.37	1,37,000	3.37	-
Nitin Keshavji Shah	9,12,833	22.46	9,12,833	22.46	-
Dixit Manikchand Shah	3,47,000	8.54	3,47,000	8.54	-
Himatlal Panachand Shah	60,834	1.50	60,834	1.50	-
Champaben Himatlal Shah	25,000	0.62	25,000	0.62	-
Suryaben Manekchand Shah	60,000	1.48	60,000	1.48	-
Manekchand Panachand Shah	5,05,833	12.45	5,05,833	12.45	-
Shejal Jignesh Shah	75,000	1.85	75,000	1.85	-
Jakharia Synthetics Private Limited	6,15,000	15.13	6,15,000	15.13	-

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at 31st March 2021		As at 31st March 2020		
	Number of shares	% of total shares	Number of shares	% of total shares	
Jignesh Himatlal Shah	1,37,000	3.37	1,37,000	3.37	-
Nitin Keshavji Shah	9,12,833	22.46	9,12,833	22.46	-
Dixit Manikchand Shah	3,47,000	8.54	3,47,000	8.54	-
Himatlal Panachand Shah	60,834	1.50	60,834	1.50	-
Champaben Himatlal Shah	25,000	0.62	25,000	0.62	-
Suryaben Manekchand Shah	60,000	1.48	60,000	1.48	-
Manekchand Panachand Shah	5,05,833	12.45	5,05,833	12.45	-
Shejal Jignesh Shah	75,000	1.85	75,000	1.85	-
Jakharia Synthetics Private Limited	6,15,000	15.13	6,15,000	15.13	-

4 Reserves and surplus

	As at 31st March 2022	As at 31st March 2021
Securities Premium :		
Opening balance	2,109.39	2,109.39
Add : addition during the year	-	-
Closing balance	2,109.39	2,109.39
Capital Redemption Reserves :		
Opening balance	23.33	23.33
Add : addition during the year	-	-
Closing balance	23.33	23.33
Surplus/ (deficit) in the statement of profit and loss		
Opening balance	982.11	2,171.62
Profit/(Loss) for the year	(1,449.40)	(1,189.51)
Net surplus in the statement of profit and loss	**(467.28)**	**982.11**
Total reserves and surplus	**1,665.44**	**3,114.83**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

5 Long-term borrowings

	As at 31st March 2022	As at 31st March 2021
A. Secured		
Term loans from bank	554.03	826.11
Vehicle loan from bank and NBFC	15.74	22.34
Less : Current maturities of long term debt	(279.18)	(277.61)
(Amount disclosed under the head 'short-term borrowings' refer note no. 7)		
A.....	**290.59**	**570.84**

Secured term loans taken from Bank

Particulars	Term Loan-1	LAP-1	LAP-2
Name of the bank	Kotak	Kotak	Kotak
Total number of instalments	60.00	84.00	54.00
Amount of equated monthly instalment	4.18	17.68	4.49
Rate of Interest (%)	MCLR+1.30%	MCLR+1.30%	MCLR+1.30%
Principle amount payable with in one year	-	192.60	43.98
Principal amount payable after one year	-	132.69	96.71
	-	325.29	140.69
Previous year	31.39	502.61	181.10

Particulars	Finance Loan*	Used car Refinance Loan*	Guaranteed Emergency credit line
Name of the bank	HDFC	HDFC	Kotak
Total number of instalments	48.00	53.00	36.00
Amount of equated monthly instalment	0.28	0.20	3.54
Rate of Interest (%)	9.27%	14.00%	9.25%
Principle amount payable with in one year	-	1.60	36.79
Principal amount payable after one year	-	4.94	51.26
	-	6.54	88.05
Previous year	1.65	7.94	111.00

Particulars	Used car Refinance Loan*
Name of the bank	Tata Capital
Total number of instalments	36.00
Amount of equated monthly instalment	0.45
Rate of Interest (%)	16.00%
Principle amount payable with in one year	4.21
Principal amount payable after one year	4.99
	9.20
Previous year	111.00

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

Security:

Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

*Car loans are secured by way of hypothecation of specific vehicle.

Collateral:

Equitable morgaged of :-

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
b. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
c. 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
d. 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.
e. Personal guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

B. Unsecured		
From Bank and NBFC	76.00	121.57
Less: Current Maturities of Long Term Loan	(40.06)	(45.57)
(Amount disclosed under the head 'short-term borrowings' refer note no. 7)		
From directors *	1,221.76	1,222.50
From relatives of directors *	49.28	49.28

*The unsecured loans from directors / relatives have been subordinated with the bank.

B.....	**1,306.98**	**1,347.78**
(A+B).....	**1,597.57**	**1,918.62**

Unsecured term loans taken from Bank

Particulars	IDFC First Bank Ltd	Fedral Bank Ltd	ICICI Bank Ltd
Total number of instalments	36.00	18.00	24.00
Amount of equated monthly instalment	2.03	1.60	0.88
Rate of Interest (%)	16.00%	18.00%	17.50%
Principle amount payable with in one year	21.85	10.53	8.19
Principal amount payable after one year	2.00	-	10.48
	23.85	**10.53**	**18.67**
Previous year	**40.80**	**25.00**	**25.00**

Particulars	Bajaj Finance Ltd	Tata Capital Financial Service Ltd
Total number of instalments	36.00	36.00
Amount of equated monthly instalment	1.10	0.45
Rate of Interest (%)	17.00%	16.00%
Principle amount payable with in one year	10.02	4.21
Principal amount payable after one year	12.94	4.99
	22.96	**9.19**
Previous year	**30.77**	**12.75**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

6 Long-term provisions

	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note no. 32(c))	144.46	137.88
	144.46	137.88

7 Short-term borrowings

	As at 31st March 2022	As at 31st March 2021
Secured		
Cash credit facility from bank	258.91	138.51
Current maturities of long term debts		
Secured	279.18	274.05
Unsecured	40.06	49.12
	578.16	461.68

Security:

Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

Collateral:

Equitable mortgaged of :-

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
b. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
c. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authmium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
d. 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.
e. Personal guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

8 Trade payables

	As at 31st March 2022	As at 31st March 2021
Creditors		
-for capital goods	203.70	151.65
-for raw material and others	2,212.44	1,764.74
-for expenses	100.77	86.18
	2,516.91	2,002.57

Trade payable ageing schedule as at 31st March, 2022

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,328.85	46.54	135.03	6.49	2,516.91
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payable ageing schedule as at 31st March, 2021

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,729.40	219.54	34.12	19.51	2,002.57
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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

	As at 31st March 2022	As at 31st March 2021
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 (Refer note no.44)	-	-

9 Other current liabilities

	As at 31st March 2022	As at 31st March 2021
Statutory dues payable	15.84	18.54
Salaries and wages payable	233.35	87.00
Electricity & water dues payable	48.02	-
Interest accrued but not due on term loans	1.45	3.97
	298.66	109.51

10 Short-term provisions

	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note no. 32(c)	10.00	5.71
Provision for CSR (Refer note no. 37)	113.58	-
Other provisions (Refer note no. 39)	23.42	-
	147.00	5.71

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

11 Property, Plant and Equipment
As at 31st March 2022

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01-04-2021	Addition during the year	Disposal during the year	Value at the end of the period 31-03-2022	Value at the beginning 01-04-2021	Addition for the year	Disposal during the year	Value at the end of the period 31-03-2022	WDV as on 31-03-2022	WDV as on 31-03-2021
A. Tangible assets										
Leasehold Land	273.52	-	-	273.52	-	-	-	-	273.52	273.52
Factory Building	374.71	-	-	374.71	234.65	13.31	-	247.95	126.76	140.07
Buiding at Tarapur	300.88	-	-	300.88	126.07	8.51	-	134.58	166.30	174.81
Plant & Machinery	2,824.00	122.90	60.75	2,886.14	1,747.73	125.16	45.17	1,827.72	1,058.42	1,076.28
Computer	10.19	0.39	-	10.58	8.57	1.02	-	9.59	0.99	1.62
Air Conditioner	13.59	-	-	13.59	12.06	0.69	-	12.75	0.84	1.53
Bike	1.98	-	-	1.98	1.89	0.02	-	1.92	0.07	0.09
Car	24.64	-	-	24.64	14.83	3.06	-	17.89	6.75	9.81
Roto Crate	3.29	-	-	3.29	1.40	0.34	-	1.75	1.54	1.89
Fire Extingnisher	2.53	44.52	-	47.06	2.48	12.78	-	15.26	31.80	0.06
Mobile	0.65	-	-	0.65	0.64	0.01	-	0.64	0.01	0.02
Factory Shed	5.57	-	-	5.57	3.52	0.19	-	3.71	1.85	2.05
EPBAX System	1.78	-	-	1.78	1.10	0.08	-	1.18	0.60	0.68
Laboratory	29.32	-	-	29.32	20.24	2.35	-	22.59	6.73	9.08
Furniture	12.32	-	-	12.32	10.61	0.44	-	11.06	1.27	1.71
LED TV	0.57	-	-	0.57	0.55	0.01	-	0.56	0.01	0.01
Electrical Goods	115.30	3.70	-	119.00	104.21	2.87	-	107.08	11.92	11.09
Electrical Installations	22.75	-	-	22.75	21.63	0.29	-	21.92	0.84	1.13
Total Property, Plant and Equipment	**4,017.59**	**171.51**	**60.75**	**4,128.35**	**2,312.16**	**171.15**	**45.17**	**2,438.14**	**1,690.21**	**1,704.43**
Intangible assets	-	-	-	-	-	-	-	-	-	-
Total Intangible assets	-	-	-	-	-	-	-	-	-	-
Total assets	**4,017.59**	**171.51**	**60.75**	**4,128.35**	**2,312.16**	**171.15**	**45.17**	**2,438.14**	**1,690.21**	**1,704.43**
As at March 31, 2021										
Total assets	**3,978.40**	**39.19**	-	**4,017.59**	**2,140.74**	**171.42**	-	**2,312.16**	**1,705.43**	**1,837.66**

Jakharia Fabric Limited
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Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

12 Non-current investments

	As at 31st March 2022		As at 31st March 2021	
A. Investment in equity instruments (unquoted)				
(i) Shares of NKGSB Co- Operative Bank		1.00		1.00
B. Investment in partnership firms :				
(i) Capital Investment in Jakharia Industries				
Balance as per last balance sheet	3,497.11		4,340.84	
Add : Capital introduced during the year	645.14		544.54	
Less : Withdrawals during the year	(265.95)		(403.91)	
Less: Share of Loss for the Year	(1,065.53)	2,810.77	(984.36)	3,497.11

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 2022	Profit Sharing Ratio	Capital as on 31 March 2021
M/s. Jakharia Fabrics Private Limited	97.15%	2,810.77	96.01%	3,497.11
Mr. Nitin Shah	0.54%	15.67	0.76%	27.69
Mr. Himmathal Shah	0.54%	15.64	0.76%	27.64
Mr. Jignesh Shah	0.68%	19.76	0.96%	34.79
Mr. Dixit Shah	0.54%	15.64	0.76%	27.64
Mr. Maneckchand Shah	0.54%	15.64	0.76%	27.64
		2,893.12		3,642.52
Others				
Tarapur Environment Protection		73.33		73.33
TOTAL		2,885.10		3,571.44

13 Deferred-tax assets(net)

	As at 31st March 2022	As at 31st March 2021
Deferred tax liabilities/(assets) (net)		
Depreciation	(56.16)	(52.62)
Business loss	78.62	57.10
Disallowance of expenses	5.26	39.95
	-	
	27.72	44.43

14 Long-term loans and advances

	As at 31st March 2022	As at 31st March 2021
Balance with government authorities	427.16	490.68
Advance income-tax (net)	244.59	171.79
	671.75	662.47

15 Other non-current assets

	As at 31st March 2022	As at 31st March 2021
Other non-current assets		
Security deposit	73.28	98.71
Deposits with banks (with original maturity period of more than 12 months)	14.22	13.30
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	87.50	112.01

Jakharia Fabric Limited
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Notes forming part of standalone financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

16 Inventories

	As at 31st March 2022	As at 31st March 2021
Inventories		
At cost or net realisable value, which ever is lower, except otherwise stated		
Raw material		
- Dyes and chemicals	79.66	88.10
- Others	85.49	15.26
Work in Progress		
- Fabrics	126.92	84.89
Finished Goods		
- Fabrics	172.27	214.37
(As taken, certified and valued by the management)		
	464.34	**402.62**

17 Trade receivables

	As at 31st March 2022	As at 31st March 2021
Outstanding for a period exceeding six months from the date of Invoice		
Secured, considered good	-	-
Unsecured, considered good	102.08	122.45
Doubtful	-	-
Others		
Secured, considered good	-	-
Unsecured, considered good	1,359.70	1,198.73
Doubtful	-	-
Less: provision for doubtful debts	(67.03)	(52.19)
	1,394.75	**1,268.99**

Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from the date of invoice					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,359.70	17.02	4.57	32.60	47.88	1,461.77
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	67.03	67.03

Jakharia Fabric Limited
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Notes forming part of standalone financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from the date of invoice					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,198.73	3.63	50.21	53.14	15.47	1,321.18
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	40.21	11.98	52.19

18 Cash and cash equivalents:

	As at 31st March 2022	As at 31st March 2021
Cash on hand	3.16	2.23
Balance with banks:		-
- In current accounts	0.21	4.30
- In fixed deposits	106.71	101.28
	110.08	107.81
Less:Deposits with banks (with original maturity period of more than 12 months)	(14.22)	(13.30)
	95.86	**94.51**

19 Short-term loans and advances

	As at 31st March 2022	As at 31st March 2021
Unsecured and considered good		
Advance to suppliers	-	26.43
Advance to employees	30.90	18.44
	30.90	**44.87**

20 Other current assets

	As at 31st March 2022	As at 31st March 2021
Unsecured and considered good		
Prepaid expenses	6.45	9.39
	6.45	**9.39**

Jakharia Fabric Limited
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Notes forming part of standalone financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

21 Revenue from operations

	Year ended 31st March 2022	Year ended 31st March 2021
Sale of services		
Job work/sales	6,956.17	3,708.15
Sale of products		-
Finished goods	554.40	424.80
	7,510.57	**4,132.95**
Details of finished goods		
Fabrics	554.40	424.80

22 Other income

	Year ended 31st March 2022	Year ended 31st March 2021
Interest on bank fixed deposit	4.92	5.18
Sundry credit balance written back (net)	5.19	3.06
Foreign exchange gain	0.44	-
Profit on sale of machinery	12.39	-
Interest on deposits	2.14	1.47
Interest on vat refund	5.53	2.07
	30.61	**11.78**

23 Cost of materials consumed

	Year ended 31st March 2022	Year ended 31st March 2021
Other materials		
Opening stock	103.36	113.23
Add: Purchases		
Coal and biomass	1,656.93	556.83
Dyes and chemicals	1,591.77	882.95
Finished goods	506.57	332.63
Packing material	178.28	104.85
Stores and spares	210.04	137.95
Other materials	7.08	11.87
Less : Purchase return	-	(5.51)
Less : Discount on purchases	(10.96)	-
Less: Closing stock	(165.16)	(103.36)
	4,077.91	**2,031.44**

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

	Year ended 31st March 2022	Year ended 31st March 2021
Opening stock		
Work-in-progress	84.89	63.78
Finished goods	214.37	219.64
	299.26	283.42
Less: Closing stock		
Work-in-progress	126.92	84.89
Finished goods	172.27	214.37
	0.07	**(15.84)**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

21 Revenue from operations

	Year ended 31st March 2022	Year ended 31st March 2021
Sale of services		
Job work/sales	6,956.17	3,708.15
Sale of products		-
Finished goods	554.40	424.80
	7,510.57	**4,132.95**
Details of finished goods		
Fabrics	554.40	424.80

22 Other income

	Year ended 31st March 2022	Year ended 31st March 2021
Interest on bank fixed deposit	4.92	5.18
Sundry credit balance written back (net)	5.19	3.06
Foreign exchange gain	0.44	-
Profit on sale of machinery	12.39	-
Interest on deposits	2.14	1.47
Interest on vat refund	5.53	2.07
	30.61	**11.78**

23 Cost of materials consumed

	Year ended 31st March 2022	Year ended 31st March 2021
Other materials		
Opening stock	103.36	113.23
Add: Purchases		
Coal and biomass	1,656.93	556.83
Dyes and chemicals	1,591.77	882.95
Finished goods	506.57	332.63
Packing material	178.28	104.85
Stores and spares	210.04	137.95
Other materials	7.08	11.87
Less : Purchase return	-	(5.51)
Less : Discount on purchases	(10.96)	-
Less: Closing stock	(165.16)	(103.36)
	4,077.91	**2,031.44**

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

	Year ended 31st March 2022	Year ended 31st March 2021
Opening stock		
Work-in-progress	84.89	63.78
Finished goods	214.37	219.64
	299.26	283.42
Less: Closing stock		
Work-in-progress	126.92	84.89
Finished goods	172.27	214.37
	0.07	**(15.84)**

Jakharia Fabric Limited
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Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

29 Prior period income/(expenses)

	Year ended 31st March 2022	Year ended 31st March 2021
Corporate social responsibility (refer note no.37)	37.86	-
	37.86	**-**

30 Remuneration to Auditors:

	Year ended 31st March 2022	Year ended 31st March 2021
Audit fees	4.00	3.50
Tax audit fees	2.00	1.50

31 Earnings per share (EPS)

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

	Year ended 31st March 2022	Year ended 31st March 2021
Profit/ (loss) after tax	(1,449.40)	(1,189.52)

	Year ended 31st March 2022	Year ended 31st March 2021
Weighted average number of equity shares in calculating basic EPS		
Equivalent weighted average number of equity shares at the end of the year	40,63,830	40,63,830
Diluted weighted average number of equity shares at the end of the year / period	40,63,830	40,63,830
Earnings Per Share		
Basic EPS	(35.67)	(29.27)
Diluted	(35.67)	(29.27)

32 Employee benefit expenses:

a) Reconciliation of defined benefit obligation:

	Year ended 31st March 2022	Year ended 31st March 2021
Present value of DBO at start of year	143.59	125.34
Current Service Cost	28.94	30.00
Interest cost	9.94	8.66
Benefits paid	(1.26)	-
Acturial Gain /(Loss) gain	(26.75)	(20.42)
Present value cost	154.46	143.59

b) Expenses recognised in Profit & Loss account

	Year ended 31st March 2022	Year ended 31st March 2021
Current Service Cost	28.94	30.00
Interest cost	9.94	8.66
Benefits paid	-	-
Past service cost	-	-
Acturial Gain /(Loss) gain	(0.00)	(20.42)
Present value cost	38.88	18.24

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

	Year ended 31st March 2022	Year ended 31st March 2021
Present value of DBO	0.00	0.00
Fair value of Plan Assets	-	-
Net Liabilty/ (Assets)	0.00	0.00
Less: Unrecognised Past Service Cost	-	-
Liability /(assets) recognised in Balance Sheet	0.00	0.00
of which Short Term Provision	10.00	5.71

Jakharia Fabric Limited
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Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

33 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

(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	Year ended 31st March 2022	Year ended 31st March 2021
M/s. Jakharia Industries	Investments	379.19	140.63
M/s. Jakharia Industries	Job Charges	-	57.39
M/s. Jakharia Industries	Sales of Machinery	300.65	-
M/s. Jakharia Industries	Purchases	15.60	-
M/s. Jakharia Industries	Sales	17.91	2.70
Mr. Himmatlal Shah	Rent	1.20	1.20
Mahadev Enterprises	Job charges	-	24.14
Manoj Tiwari	Loan	4.00	4.00
Manoj Tiwari	Salary	4.88	4.13

(ii) Remuneration to key managerial personnel:

	Year ended 31st March 2022	Year ended 31st March 2021
Mr. Himatlal Shah	13.75	13.40
Mr. Dixit Shah	13.75	13.40
Mr. Jignesh Shah	13.75	13.40
Mr. Manekchand Shah	13.75	13.40
Mr. Nitin Shah	27.50	26.80

(iii) Outstanding balances

Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
(a) Receivables		
Jakharia Industries	-	1.02
(b) Investments		
M/s. Jakharia Industries	2,810.77	3,497.11
(c) Creditors		
Dixit Processors	70.72	71.16
Jakharia Industries	1.17	-
(d) Rent Payable		
Mr. Himatlal Shah	3.60	2.40
(f) Unsecured Loan		
Mr. Himatlal Shah	449.85	449.85
Mr. Dixit Shah	100.80	100.80
Mr. Jignesh Shah	335.30	335.30
Mr. Manekchand Shah	51.55	51.55
Mr. Nitin Shah	284.26	285.00
Mrs. Rinkal D Shah	49.28	49.28

Jakharia Fabric Limited
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(Amount ₹ in lakhs, unless otherwise mentioned)

34 Information regarding foreign exchange earnings and expenditure :

	Year ended 31st March 2022	Year ended 31st March 2021
Expenditure in Foreign Exchange	-	3.24

35 Foreign currency balance:

	As at 31st March 2022	As at 31st March 2021
Receivables	-	12.81

36 Contingent liabilities:
(To the extent not provided for)

	As at 31st March 2022	As at 31st March 2021
Disputed Income-tax	3.33	3.33
Bank guarantee	95.92	94.92
	99.25	98.25

37 Corporate Social Responsibility (CSR):

As per section 135 of the Companies 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 Company during the three immediately preceding financials years in accordance with its CSR Policy.
During the period under review, the company did not meet this criteria and therefore was not required to spend any amount towards CSR activity. However, the company has accumulated unspent CSR amounts aggregating to Rs.37.86 lacs of the previous years. Due to continued losses in the past 2 years, the company has not been able to spent the said amounts, nor transfer the same to a separate bank account. The company has made a suitable provision for the said prior period unspent CSR amount in the present financial year.

Particulars	As at 31st March 2022	As at 31st March 2021
a. Amount required to be spent by the company during the year	Nil	7.67
b. Amount of expenditure incurred on :		
i. Construction/acquisition of any assets	-	-
ii. On purpose other than (i) above	-	-
c. Shortfall at the end of the year	-	7.67
d. Total of previous years shortfall	37.86	37.86
e. Reason for shortfall	As aforesaid mentioned	
f. Nature of CSR activities	NA	NA
g. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

38 The Managing Director of the Company, Mr. Nitin Shah resigned from the board on April 06, 2022. The Company has intimated this event being non adjusting in nature to the concerned authorities including the Stock Exchange.

39 Penalty amounting to INR 251.54 lakhs has been levied by NGT for alleged violation of environmental norms by the Company at its factory located at Tarapur MIDC. As per the directions of the Honourable Supreme Court dated December 14, 2020, the Company has deposited 30% of the penalty amounting to INR 75.46 lakhs which was disclosed as recoverable advance in financial year 2020-21. The order of penalty was stayed by the Honourable Supreme Court and has directed to hear the case afresh by giving opportunity to the concerned parties. Pursuant to the directions of the Honourable Supreme Court dated December 14, 2020, National Green Tribunal had reheard the matter and vide its direction dated January 24, 2022 had reduced the portion of compensation attributable to the company for alleged violations of environmental norms of manufacturers at Tarapur MIDC to an amount of of Rs.98.88 lakhs from Rs.251.51 lakhs. In view of the same the company has debited penalty amounting to INR 98.88 lakhs in the during the financial year 2021-22.

40 A major fire broke out in the factory of our Associate entity M/s. Jakharia Industries located at Plot No J/1/1, MIDC Tarapur, Boisar District, Palghar - 401506 on 4th September, 2021. Actual loss has been ascertained aggregating to Rs. 225.20 lacs. As per AS 23 under the equity method, the share of loss aggregating to Rs. 1065.53 lacs (including share in loss from fire amounting to Rs. 225.20 lacs).

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(Amount ₹ in lakhs, unless otherwise mentioned)

41 Returns filed with banks with respect to working capital facilities availed

Name of the Bank	Quarter	Particulars of securities provided	Amount as per books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference-(short)/excess	Reasons for material discrepancies
Kotak Bank	Q-1 of FY 2020-21	Inventory	407.56	0.00	407.56	The difference are because the statements filed with the lenders are based on financial statements prepared on provisional basis and also because of exclusion of certain current assets / liabilities in the statements filed with the lenders.
		Debtors	1,587.88	1,749.22	161.34	
		Creditors	(1,375.30)	(1,276.35)	98.96	
			-	-		
Kotak Bank	Q-2 of FY 2020-21	Inventory	378.71	0.00	378.71	
		Debtors	1,241.10	1,263.42	22.31	
		Creditors	(1,204.67)	(1,036.18)	168.49	
			-	-		
Kotak Bank	Q-3 of FY 2020-21	Inventory	478.65	0.00	478.64	
		Debtors	1,186.27	1,155.20	(31.07)	
		Creditors	(1,127.15)	(1,153.89)	(26.74)	
			-	-		
Kotak Bank	Q-4 of FY 2020-21	Inventory	402.62	442.69	(40.07)	
		Debtors	1,269.00	1,372.59	103.59	
		Creditors	(1,292.62)	(1,277.20)	15.42	
			-	-		
Kotak Bank	Q-1 of FY 2021-22	Inventory	515.04	515.04	-	
		Debtors	1,268.05	1,290.62	22.57	
		Creditors	1,457.27	1,317.74	(139.53)	
			-	-		
Kotak Bank	Q-2 of FY 2021-22	Inventory	408.04	408.04	-	
		Debtors	1,345.23	1,851.40	506.17	
		Creditors	(1,629.55)	(1,584.63)	44.92	
			-	-		
Kotak Bank	Q-3 of FY 2021-22	Inventory	301.95	301.95	-	
		Debtors	1,728.56	1,724.45	(4.10)	
		Creditors	(1,834.02)	(1,464.28)	369.75	
			-	-		
Kotak Bank	Q-4 of FY 2021-22	Inventory	464.34	475.22	(10.88)	
		Debtors	1,461.77	1,455.19	(6.57)	
		Creditors	(1,912.54)	(1,411.41)	501.12	

42 Key Ratios

Ratio	Numerator	Denominator	Year ended 31st March 2022	Year ended 31st March 2021	% Variance	Reason for variance
(a) Current Ratio	Total Current Assets	Total Current Liabilities	0.56	0.71	20.27	Lower coverage due to higher level of installments of term loans & creditors due to losses in the last 2 years.
(b) Debt-Equity Ratio	Total Borrowing	Total Equity	1.05	0.68	(55.35)	Higher because of reduced capital on account of losses.
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Noncash operating expenses + Interest + Other non-cash	Debt service = Interest and lease payments + Principal repayments	(1.56)	(0.90)	(72.88)	Because of losses it has reduced coverage
(d Return on Equity Ratio	Loss for the period less Preference dividend (if any)	Average total equity	(0.52)	(0.20)	(156.05)	Because of loss ratio deteriorated.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

42 Key Ratios

(e) Inventory Turnover Ratio	Cost of goods sold = Cost material Consumed + Purchases of stock in trade + Change in inventories of Finished Goods, Work in progress and	Average Stock	9.41	3.35	(180.48)		Ratio has improved as there is increase in revenue over previous year.
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	5.64	3.92	43.84		Ratio has improved as there is increase in revenue over previous year.
(g) Trade Payables Turnover Ratio	Net purchase = Purchase of Stock in trade + Purchase of Raw Material	Average Trade Payables	1.18	1.03	14.53		Ratio has improved due to better working capital management.
(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Total Current Asset - Total Current Liabilities	(4.85)	(5.44)	10.91		Ratio has improved due to better working capital management.
(i) Net Profit Ratio	Loss for the period	Revenue from Operations	(0.19)	(0.29)	32.95		Net profit margin of current year is better than previous year due to higher sales.
(j) Return on Capital Employed	Earning before finance cost and tax	Capital employed = Tangible Net worth + Total Borrowings + Deferred Tax	(0.30)	(0.19)	(55.29)		Losses have increased in the current year on account of loss from associate entity.

43 Other Statutory Information :

(i) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The company do not have any transactions with companies struck off.

(iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

44 As per the information available with the company, there are Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal and interest.

The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

45 Previous year figures :

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

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

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

Jignesh H. Shah
Director
[DIN: 00256315]

Manoj Tiwari
Chief Financial Officer

Place: Bhiwandi
Date: 30-05-2022

Dixit Shah
Director
[DIN: 01911262]

Bhavin Waghela
Company Secretary
M No.46806

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 of **Jakharia Fabric Limited (Formerly known as Jakharia Fabric Private Limited) ("the company")**, which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss and the 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 (hereinafter referred to as "the Consolidated financial statements").

Auditor's Opinion

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state-of-affairs of the Company as at 31st March 2022, and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements 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 Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act, 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 audit opinion on the Consolidated financial statements.

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, for the year ended 31st March 2022 and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated financial statements.

Key Audit Matters	How was the matter addressed in our audit
Exposure in associate entity	
The exposure in associate entity i.e. carrying amount of the Company's investments, loans and advances, trade & other receivables. Their recoverability is dependent on associate entity generating enough cash flows in future, estimation of which requires significant management judgement. We do not consider valuation of these investments and recovery of associate receivables, payables to be at a high risk of significant misstatement. However, due to their materiality in the context of the Company's financial statement, this is considered to be the area that had a significant effect on the company audit. Refer Note 12 and Note 40 forming part of the notes to the Consolidated Financial Statements.	We compared the carrying value of these investments, loans and advances, trade & other receivables and trade payables with the associate financial statements to identify whether their net assets were in excess of their carrying amount and assessed whether the associate have historically been profitmaking. We evaluated the associate entity projected statement of profit and loss and projected statement of cash flows with management assumptions relating to key inputs such as projected long-term growth and discount rates and assessing the managements assumptions over the recoverability of intercompany receivables against our own knowledge of the trading performance of the associate entity. Assessed the appropriateness of the disclosure in the Consolidated Financial Statements in accordance with the applicable financial reporting framework.

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 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 Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated 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 the 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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 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 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 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 Company 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.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable users of the Consolidated financial statement 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 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 the Companies (Auditor's Report) Order, 2020 ("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:

(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.
(j) 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.
(k) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and Notes to the Consolidated financial statements dealt with by this Report are in agreement with the books of account.
(l) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
(m) On the basis of the written representations received from the directors as on 31/03/2022 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
(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 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:

vi. The Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements- refer note no 36 to the Consolidated financial statements.
vii. 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.
viii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
ix. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the noted to the accounts, no funds have been advanced or loaned or invested (either

from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.

x. Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPHMX4172

Place: Mumbai
Date: 30-05-2022

"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 Consolidated financial statements as at for the year ended 31st March 2022)

(i) (a) According to the information and explanations given to us, the Company has ***not*** maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE").

(b) As explained to us, all the Property, Plant and Equipment ("PPE") 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 activities. 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 Consolidated financial statement, the deed of assignment has been executed in the name of the Company.

(d) The company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) 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 verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us, the company has not been sanctioned working capital in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under sub-clause 3(ii)(b) of the order is not applicable.

(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), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) The company has not advanced loans to directors including the entities in which they are interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments, loans, securities and guarantees given have been complied with by 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 not been regularly deposited during the year by the Company with the appropriate authorities though the delays in deposits have not been serious.

(b) According to the information and explanations given to us and the records examined by us, outstanding statutory 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
Income-tax Act, 1961	Income Tax	2016-2017	CPC, Bangalore	3,30,590

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) 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 lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) The Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of the Order is not applicable

(d) According to the information and explanations given to us and on an overall examination of the financial statement of the company, we report that, prima-facia it appears that no funds raised on short-term basis have been used for long-term purpose by the company.

(e) According to the information and explanation given to us, and on an overall explanation of the financial statements of the company, we report that during the year the company has not taken any funds from an entity or person, on account of or to meet the obligation of its subsidiary or associate entity.

(f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures and associate companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).

(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) In our opinion the company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the Consolidated financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of the entity.

(b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedure.

(xv) The Company has not entered into non-cash transactions with its directors or persons connected with them and hence provision of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence, reporting under clause (xvi)(a), (b) and (c) of the order is not applicable.

(xvii) The company has incurred cash losses amounting to Rs.134.06 lacs during the current financial year covered by our audit and Rs.40.61 lacs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the company during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 42 of the Consolidated financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) During the year under review, the company did not get attracted under the provision of Section 135 and accordingly, reporting under clause 3(xx) of the order is not applicable for the year. However, the company has unspent amounts of the previous year aggregating to Rs.37.86 lakhs for which suitable provisions have been made in the financial statements. This matter has been disclosed in note 37 to the Consolidated financial statements.

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPHMX4172

Place: Mumbai
Date: 30-05-2022

"Annexure B" 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.

We have audited the internal financial controls over financial reporting of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited) as of 31st March 2022, in conjunction with our audit of the Consolidated 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 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 over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 Consolidated 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 Consolidated 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 Consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, 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
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277
UDIN: 22103277ANPHMX4172

Place: Mumbai
Date: 30-05-2022

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Consolidated Balance sheet as at 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	406.38	406.38
(b) Reserves and surplus	4	1,665.44	3,114.83
		2,071.82	**3,521.21**
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	1,597.57	1,918.62
(c) Long-term provisions	6	144.46	137.88
		1,742.03	**2,056.50**
(3) Current Liabilities			
(a) Short-term borrowings	7	578.16	461.68
(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	2,516.91	2,002.57
(c) Other current liabilities	9	298.66	109.51
(d) Short-term provisions	10	147.00	5.71
		3,540.73	**2,579.47**
TOTAL		**7,354.58**	**8,157.18**
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11	1,690.21	1,705.43
(ii) Capital work-in-progress		-	241.02
(b) Non-current investments	12	2,885.10	3,571.44
(c) Deferred-tax assets (net)	13	27.72	44.43
(d) Long-term loans and advances	14	671.75	662.47
(e) Other non-current assets	15	87.50	112.01
		5,362.28	**6,336.80**
(2) Current Assets			
(a) Inventories	16	464.34	402.62
(b) Trade receivables	17	1,394.75	1,268.99
(c) Cash and cash equivalents	18	95.86	94.51
(d) Short-term loans and advances	19	30.90	44.87
(e) Other current assets	20	6.45	9.39
		1,992.30	**1,820.38**
TOTAL		**7,354.58**	**8,157.18**
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
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

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

Sd/-
Manoj Tiwari
Chief Financial Officer

Place: Bhiwandi
Date : 30-05-2022

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Private Limited)

Consolidated Statement of Profit and Loss account for the year ended 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I	Revenue from operations	21	7,510.57	4,132.95
II	Other income	22	30.61	11.78
III	**Total Income (I+II)**		**7,541.18**	**4,144.73**
IV	**Expenses**			
	Cost of material consumed	23	4,077.91	2,031.44
	Changes in inventories of finished goods and work-in-progress	24	0.07	(15.84)
	Employee benefits expense	25	1,275.34	783.58
	Depreciation and amortization expenses	26	171.15	171.42
	Finance cost	27	92.44	105.05
	Other expenses	28	3,253.98	2,313.31
	Total expenses		**8,870.89**	**5,388.96**
V	**Profit before exceptional items and tax (III – IV)**		(1,329.71)	(1,244.23)
VI	**Exceptional items**			
	Prior period income/(expenses)	29	(37.86)	(1.67)
VII	**Profit before tax (V-VI)**		**(1,367.57)**	**(1,245.90)**
VIII	**Tax Expense:**			
	Excess/(short) provision in earlier year		(65.12)	-
	Deferred tax		(16.71)	56.38
IX	Profit/(loss) after tax for the year		**(1,449.40)**	**(1,189.52)**
X	**Earnings per equity share**			
	(1) Basic (Face value per share Rs.10/-)		(35.67)	(29.27)
	(2) Diluted		(35.67)	(29.27)
	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
ICAI firm registration number: 0128920W

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

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

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-05-2022

Place: Bhiwandi
Date : 30-05-2022

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Consolidated statement of cash flow for the year ended 31st March 2022

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
Cash flow from operating activities:				
Profit before tax		(1,367.57)		(1,245.90)
Adjustments for				
Depreciation and amortization	171.15		171.42	
Provision for doubtful debts	14.84		52.19	
Sundry credit balance written back (net)	(5.19)		(3.06)	
Profit on sale of machinery	(12.39)		-	
Foreign exchange gain	(0.44)		0.37	
Interest & financial cost	92.44		105.05	
Interest received	(4.92)	255.47	(5.18)	320.79
Operating profit before working capital changes		(1,112.10)		(925.11)
(Increase) \ decrease in operating assets				
Inventories	(61.72)		(5.97)	
Trade receivables	(140.13)		384.23	
Short term loans & advances	13.97		(10.04)	
Other non current assets	24.51		4.12	
Other current assets	2.94		0.98	
Trade payables	519.53		42.81	
Other current liabilities	189.15		36.02	
Long term provisions	6.58		43.08	
Short term provisions	141.29	696.11	(24.83)	470.38
Cash generated from operating activities		(415.98)		(454.72)
Tax provision		(65.12)		-
Net cash flow from operating activities		(481.11)		(454.72)
B. Cash flow from investing activities				
Purchase of fixed assets	(171.51)		(39.19)	
Sale of fixed assets	269.00			
Interest received	4.92		5.18	
Investment in firm	686.34		843.73	
Net cash used in investing activities		788.75		809.72
Cash flow from financing activities				
Increase / (Decrease) long term borrowings	(321.05)		(63.69)	
Increase / (Decrease) in short term borrowings	116.48		(79.91)	
Increase / (Decrease) in long term loans & advances	(9.29)		(102.66)	
Interest & financial charges	(92.44)		(105.05)	
Net cash used in financing activities		(306.30)		(351.31)
Net increase / (decrease) in cash and cash equivalents		1.35		3.69
Cash and cash equivalents (Opening balance)		94.51		90.83
Cash and cash equivalents (Closing balance)		**95.86**		**94.51**
Reconciliation of cash and cash equivalent with Balance Sheet				
Cash and cash equivalent as per balance sheet		110.08		107.81
Less: Deposit with banks with original maturity of 3-12 months		14.22		13.30
Cash and cash equivalent at the end of the year as per cash flow		**95.86**		**94.51**

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

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

Sd/-
per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

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

Sd/-
Dixit Shah
Director
[DIN: 01911262]

Sd/-
Manoj Tiwari
Chief Financial Officer

Sd/-
Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-05-2022

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

Note 1: 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 31st March 2022, were approved by the board of directors and authorized for issue on 30th May 2022.

Note 2: Significant Accounting Policies:

p) 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.

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 compulsory requirement of adoption of IND-AS, as the company is covered under the exempted category, it has not adopted IND-AS for preparation of financial results.

q) 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.

r) 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.

s) 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.

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.

t) 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.

u) 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 97.15% 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. Accordingly, the investment in JI has been accounted under the equity method and the same is in line as required by AS-23.

v) 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.

w) 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.

x) 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.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

y) 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.

z) 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.

aa) 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.

bb) 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.

cc) 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

dd) 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 Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

3 Share capital

	As at 31st March 2022	As at 31st March 2021
AUTHORIZED SHARES		
50,00,000/-Equity shares of Rs.10/- each	500.00	500.00
Total	**500.00**	**500.00**
ISSUED , SUBSCRIBED & FULLY PAID-UP SHARES		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	406.38	406.38
	406.38	**406.38**

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

	As at 31st March 2022		As at 31st March 2021	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the period	40,63,830	406.38	40,63,830	406.38
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	**40,63,830**	**406.38**	**40,63,830**	**406.38**

(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	As at 31st March 2022		As at 31st March 2021	
	Number of shares	% of holding	Number of shares	% of holding
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.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

(d) Disclosure of shareholding of promoters:

Disclosure of shareholding of promoters as at 31st March 2022 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at 31st March 2022		As at 31st March 2021		
	Number of shares	% of total shares	Number of shares	% of total shares	
Jignesh Himatlal Shah	1,37,000	3.37	1,37,000	3.37	-
Nitin Keshavji Shah	9,12,833	22.46	9,12,833	22.46	-
Dixit Manikchand Shah	3,47,000	8.54	3,47,000	8.54	-
Himatlal Panachand Shah	60,834	1.50	60,834	1.50	-
Champaben Himatlal Shah	25,000	0.62	25,000	0.62	-
Suryaben Manekchand Shah	60,000	1.48	60,000	1.48	-
Manekchand Panachand Shah	5,05,833	12.45	5,05,833	12.45	-
Shejal Jignesh Shah	75,000	1.85	75,000	1.85	-
Jakharia Synthetics Private Limited	6,15,000	15.13	6,15,000	15.13	-

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at 31st March 2021		As at 31st March 2020		
	Number of shares	% of total shares	Number of shares	% of total shares	
Jignesh Himatlal Shah	1,37,000	3.37	1,37,000	3.37	-
Nitin Keshavji Shah	9,12,833	22.46	9,12,833	22.46	-
Dixit Manikchand Shah	3,47,000	8.54	3,47,000	8.54	-
Himatlal Panachand Shah	60,834	1.50	60,834	1.50	-
Champaben Himatlal Shah	25,000	0.62	25,000	0.62	-
Suryaben Manekchand Shah	60,000	1.48	60,000	1.48	-
Manekchand Panachand Shah	5,05,833	12.45	5,05,833	12.45	-
Shejal Jignesh Shah	75,000	1.85	75,000	1.85	-
Jakharia Synthetics Private Limited	6,15,000	15.13	6,15,000	15.13	-

4 Reserves and surplus

	As at 31st March 2022	As at 31st March 2021
Securities Premium :		
Opening balance	2,109.39	2,109.39
Add : addition during the year	-	-
Closing balance	2,109.39	2,109.39
Capital Redemption Reserves :		
Opening balance	23.33	23.33
Add : addition during the year	-	-
Closing balance	23.33	23.33
Surplus/ (deficit) in the statement of profit and loss		
Opening balance	982.11	2,171.62
Profit/(Loss) for the year	(1,449.40)	(1,189.51)
Net surplus in the statement of profit and loss	**(467.29)**	**982.11**
Total reserves and surplus	**1,665.44**	**3,114.83**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

5 Long-term borrowings

	As at 31st March 2022	As at 31st March 2021
A. Secured		
Term loans from bank	554.03	826.11
Vehicle loan from bank and NBFC	15.74	22.34
Less : Current maturities of long term debt	(279.18)	(277.61)
(Amount disclosed under the head 'short-term borowings' refer note no. 7)		
A.....	**290.59**	**570.84**

Secured term loans taken from Bank

Particulars	Term Loan-1	LAP-1	LAP-2
Name of the bank	Kotak	Kotak	Kotak
Total number of instalments	60.00	84.00	54.00
Amount of equated monthly instalment	4.18	17.68	4.49
Rate of Interest (%)	MCLR+1.30%	MCLR+1.30%	MCLR+1.30%
Principle amount payable with in one year	-	192.60	43.98
Principal amount payable after one year	-	132.69	96.71
	-	325.29	140.69
Previous year	**31.39**	**502.61**	**181.10**

Particulars	Finance Loan*	Used car Refinance Loan*	Guaranteed Emergency credit line
Name of the bank	HDFC	HDFC	Kotak
Total number of instalments	48.00	53.00	36.00
Amount of equated monthly instalment	0.28	0.20	3.54
Rate of Interest (%)	9.27%	14.00%	9.25%
Principle amount payable with in one year	-	1.60	36.79
Principal amount payable after one year	-	4.94	51.26
	-	6.54	88.05
Previous year	**1.65**	**7.94**	**111.00**

Particulars	Used car Refinance Loan*
Name of the bank	Tata Capital
Total number of instalments	36.00
Amount of equated monthly instalment	0.45
Rate of Interest (%)	16.00%
Principle amount payable with in one year	4.21
Principal amount payable after one year	4.99
	9.20
Previous year	**111.00**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

Security:

Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

*Car loans are secured by way of hypothecation of specific vehicle.

Collateral:

Equitable mortgage of :-

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
b. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
c. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authunium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
d. 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.
e. Personal guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

B. Unsecured

From Bank and NBFC	76.00	121.57
Less: Current Maturities of Long Term Loan (Amount disclosed under the head 'short-term borrowings' refer note no. 7)	(40.06)	(45.57)
From directors *	1,221.76	1,222.50
From relatives of directors *	49.28	49.28

*The unsecured loans from directors / relatives have been subordinated with the bank.

B.....	1,306.98	1,347.78
(A+B).....	1,597.57	1,918.62

Unsecured term loans taken from Bank

Particulars	IDFC First Bank Ltd	Fedral Bank Ltd	ICICI Bank Ltd
Total number of instalments	36.00	18.00	24.00
Amount of equated monthly instalment	2.03	1.60	0.88
Rate of Interest (%)	16.00%	18.00%	17.50%
Principle amount payable with in one year	21.85	10.53	8.19
Principal amount payable after one year	2.00	-	10.48
	23.85	10.53	18.67
Previous year	40.80	25.00	25.00

Particulars	Bajaj Finance Ltd	Tata Capital Financial Service Ltd
Total number of instalments	36.00	36.00
Amount of equated monthly instalment	1.10	0.45
Rate of Interest (%)	17.00%	16.00%
Principle amount payable with in one year	10.02	4.21
Principal amount payable after one year	12.94	4.99
	22.96	9.19
Previous year	30.77	12.75

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

6 Long-term provisions

	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note no. 32(c))	144.46	137.88
	144.46	**137.88**

7 Short-term borrowings

	As at 31st March 2022	As at 31st March 2021
Secured		
Cash credit facility from bank	258.91	138.51
Current maturities of long term debts		
Secured	279.18	274.05
Unsecured	40.06	49.12
	578.16	**461.68**

Security:

Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

Collateral:

Equitable mortgage of :-

a. Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Tahuka Palghar, Dist. Thane
b. Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
c. Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authmunm, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
d. 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.
e. Personal guarantee of following directors:
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

8 Trade payables

	As at 31st March 2022	As at 31st March 2021
Creditors		
-for capital goods	203.70	151.65
-for raw material and others	2,212.44	1,764.74
-for expenses	100.77	86.18
	2,516.91	2,002.57

Trade payable ageing schedule as at 31st March, 2022

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	2,328.85	46.54	135.03	6.49	2,516.91
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payable ageing schedule as at 31st March, 2021

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	1,729.40	219.54	34.12	19.51	2,002.57
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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

	As at 31st March 2022	As at 31st March 2021
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 succeeding 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 (Refer note no.44)	-	-

9 Other current liabilities

	As at 31st March 2022	As at 31st March 2021
Statutory dues payable	15.84	18.54
Salaries and wages payable	233.35	87.00
Electricity & water dues payable	48.02	-
Interest accrued but not due on term loans	1.45	3.97
	298.66	109.51

10 Short-term provisions

	As at 31st March 2022	As at 31st March 2021
Provision for gratuity (Refer note no. 32(c)	10.00	5.71
Provision for CSR (Refer note no. 37)	113.58	-
Other provisions (Refer note no. 39)	23.42	-
	147.00	5.71

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

1 Property, Plant and Equipment
As at 31st March 2022

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01-04-2021	Addition during the year	Disposal during the year	Value at the end of the period 31-03-2022	Value at the beginning 01-04-2021	Addition for the year	Disposal during the year	Value at the end of the period 31-03-2022	WDV as on 31-03-2022	WDV as on 31-03-2021
A. Tangible assets										
Leasehold Land	273.52	-	-	273.52	-	-	-	-	273.52	273.52
Factory Building	374.71	-	-	374.71	234.65	13.31	-	247.95	126.76	140.07
Building at Tarapur	300.88	-	-	300.88	126.07	8.51	-	134.58	166.30	174.81
Plant & Machinery	2,824.00	122.90	60.75	2,886.14	1,747.73	125.16	45.17	1,827.72	1,058.42	1,076.28
Computer	10.19	0.39	-	10.58	8.57	1.02	-	9.59	0.99	1.62
Air Conditioner	13.59	-	-	13.59	12.06	0.69	-	12.75	0.84	1.53
Bike	1.98	-	-	1.98	1.89	0.02	-	1.92	0.07	0.09
Car	24.64	-	-	24.64	14.83	3.06	-	17.89	6.75	9.81
Roto Crate	3.29	-	-	3.29	1.40	0.34	-	1.75	1.54	1.89
Fire Extinguisher	2.53	44.52	-	47.06	2.48	12.78	-	15.26	31.80	0.06
Mobile	0.65	-	-	0.65	0.64	0.01	-	0.64	0.01	0.02
Factory Shed	5.57	-	-	5.57	3.52	0.19	-	3.71	1.85	2.05
EPBAX System	1.78	-	-	1.78	1.10	0.08	-	1.18	0.60	0.68
Laboratory	29.32	-	-	29.32	20.24	2.35	-	22.59	6.73	9.08
Furniture	12.32	-	-	12.32	10.61	0.44	-	11.06	1.27	1.71
LED TV	0.57	-	-	0.57	0.55	0.01	-	0.56	0.01	0.01
Electrical Goods	115.30	3.70	-	119.00	104.21	2.87	-	107.08	11.92	11.09
Electrical Installations	22.75	-	-	22.75	21.63	0.29	-	21.92	0.84	1.13
Total Property, Plant and Equipment	**4,017.59**	**171.51**	**60.75**	**4,128.35**	**2,312.16**	**171.15**	**45.17**	**2,438.14**	**1,690.21**	**1,704.43**
Intangible assets	-	-	-	-	-	-	-	-	-	-
Total Intangible assets	-	-	-	-	-	-	-	-	-	-
Total assets	**4,017.59**	**171.51**	**60.75**	**4,128.35**	**2,312.16**	**171.15**	**45.17**	**2,438.14**	**1,690.21**	**1,704.43**
As at March 31, 2021										
Total assets	**3,978.40**	**39.19**	-	**4,017.59**	**2,140.74**	**171.42**	-	**2,312.16**	**1,705.43**	**1,837.66**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

12 Non-current investments

	As at 31st March 2022		As at 31st March 2021	
A. Investment in equity instruments (unquoted)				
(i) Shares of NKGSB Co- Operative Bank		1.00		1.00
B. Investment in partnership firms :				
(i) Capital Investment in Jakharia Industries				
Balance as per last balance sheet	3,497.11		4,340.84	
Add : Capital introduced during the year	645.14		544.54	
Less : Withdrawals during the year	(265.95)		(403.91)	
Less: Share of Loss for the Year	(1,065.53)	2,810.77	(984.36)	3,497.11

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 2022	Profit Sharing Ratio	Capital as on 31 March 2021
M/s. Jakharia Fabrics Private Limited	97.15%	2,810.77	96.01%	3,497.11
Mr. Nitin Shah	0.54%	15.67	0.76%	27.69
Mr. Himmatlal Shah	0.54%	15.64	0.76%	27.64
Mr. Jignesh Shah	0.68%	19.76	0.96%	34.79
Mr. Dixit Shah	0.54%	15.64	0.76%	27.64
Mr. Maneckchand Shah	0.54%	15.64	0.76%	27.64
		2,893.12		3,642.52
Others				
Tarapur Environment Protection		73.33		73.33
TOTAL		2,885.10		3,571.44

13 Defered-tax assets(net)

	As at 31st March 2022	As at 31st March 2021
Defered tax liabilities/(assets) (net)		
Depreciation	(56.16)	(52.62)
Business loss	78.62	57.10
Disallowance of expenses	5.26	39.95
	-	
	27.72	44.43

14 Long-term loans and advances

	As at 31st March 2022	As at 31st March 2021
Balance with government authorities	427.16	490.68
Advance income-tax (net)	244.59	171.79
	671.75	662.47

15 Other non-current assets

	As at 31st March 2022	As at 31st March 2021
Other non-current assets		
Security deposit	73.28	98.71
Deposits with banks (with original maturity period of more than 12 months)	14.22	13.30
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	87.50	112.01

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

16 Inventories

	As at 31st March 2022	As at 31st March 2021
Inventories		
At cost or net realisable value, which ever is lower, except otherwise stated		
Raw material		
- Dyes and chemicals	79.66	88.10
- Others	85.49	15.26
Work in Progress		
- Fabrics	126.92	84.89
Finished Goods		
- Fabrics	172.27	214.37
(As taken, certified and valued by the management)		
	464.34	**402.62**

17 Trade receivables

	As at 31st March 2022	As at 31st March 2021
Outstanding for a period exceeding six months from the date of Invoice		
Secured, considered good	-	-
Unsecured, considered good	102.08	122.45
Doubtful	-	-
Others		
Secured, considered good	-	-
Unsecured, considered good	1,359.70	1,198.73
Doubtful	-	-
Less: provision for doubtful debts	(67.03)	(52.19)
	1,394.75	**1,268.99**

Trade Receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from the date of invoice					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,359.70	17.02	4.57	32.60	47.88	1,461.77
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	67.03	67.03

Jakharia Fabric Limited
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Notes forming part of Consolidated financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

Trade Receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from the date of invoice					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,198.73	3.63	50.21	53.14	15.47	1,321.18
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	40.21	11.98	52.19

18 Cash and cash equivalents:

	As at 31st March 2022	As at 31st March 2021
Cash on hand	3.16	2.23
Balance with banks:		-
- In current accounts	0.21	4.30
- In fixed deposits	106.71	101.28
	110.08	107.81
Less:Deposits with banks (with original maturity period of more than 12 months)	(14.22)	(13.30)
	95.86	**94.51**

19 Short-term loans and advances

	As at 31st March 2022	As at 31st March 2021
Unsecured and considered good		
Advance to suppliers	-	26.43
Advance to employees	30.90	18.44
	30.90	**44.87**

20 Other current assets

	As at 31st March 2022	As at 31st March 2021
Unsecured and considered good		
Prepaid expenses	6.45	9.39
	6.45	**9.39**

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

21 Revenue from operations

	Year ended 31st March 2022	Year ended 31st March 2021
Sale of services		
Job work/sales	6,956.17	3,708.15
Sale of products		-
Finished goods	554.40	424.80
	7,510.57	**4,132.95**
Details of finished goods		
Fabrics	554.40	424.80

22 Other income

	Year ended 31st March 2022	Year ended 31st March 2021
Interest on bank fixed deposit	4.92	5.18
Sundry credit balance written back (net)	5.19	3.06
Foreign exchange gain	0.44	-
Profit on sale of machinery	12.39	-
Interest on deposits	2.14	1.47
Interest on vat refund	5.53	2.07
	30.61	**11.78**

23 Cost of materials consumed

	Year ended 31st March 2022	Year ended 31st March 2021
Other materials		
Opening stock	103.36	113.23
Add: Purchases		
Coal and biomass	1,656.93	556.83
Dyes and chemicals	1,591.77	882.95
Finished goods	506.57	332.63
Packing material	178.28	104.85
Stores and spares	210.04	137.95
Other materials	7.08	11.87
Less : Purchase return	-	(5.51)
Less : Discount on purchases	(10.96)	-
Less: Closing stock	(165.16)	(103.36)
	4,077.91	**2,031.44**

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

	Year ended 31st March 2022	Year ended 31st March 2021
Opening stock		
Work-in-progress	84.89	63.78
Finished goods	214.37	219.64
	299.26	283.42
Less: Closing stock		
Work-in-progress	126.92	84.89
Finished goods	172.27	214.37
	0.07	**(15.84)**

25 Employee benefits expense

	Year ended 31st March 2022	Year ended 31st March 2021
Salary and wages	1,146.41	668.38
Directors remuneration	82.50	80.40
Contribution to provident and other funds	14.52	8.62
Staff welfare	11.21	4.62
Gratuity	12.13	18.25
Others	8.57	3.31
	1,275.34	**783.58**

Jakharia Fabric Limited
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Notes forming part of Consolidated financial statements
(Amount ₹ in lakhs, unless otherwise mentioned)

26 Depreciation and amortization expenses

	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation	171.15	171.42
	171.15	**171.42**

27 Financial cost

	Year ended 31st March 2022	Year ended 31st March 2021
Interest expenses	73.94	80.53
Others*	18.50	24.52
	92.44	**105.05**

* including bank charges,processing fees etc.

28 Other expenses

	Year ended 31st March 2022	Year ended 31st March 2021
Manufacturing and service cost		
Cash discount	5.01	12.10
Contractors expenses	684.43	488.94
Loading and unloading charges	45.60	28.85
Packing expenses	17.16	9.14
Power and fuel	564.50	338.37
Rent, rates and taxes	85.46	64.72
Repairs and maintenance	102.09	56.43
Pollution control and others testing charges	69.91	-
Water expenses	53.85	37.79
	1,628.01	**1,036.34**
Administrative & Selling expenses		
Brokerage	115.31	42.37
Security expenses	13.26	12.96
Computer expenses	3.61	2.93
Travelling, conveyance and petrol expenses	8.51	7.08
Courier charges	0.13	0.56
Exchange loss	-	0.37
GST ineligible	7.02	33.79
Insurance	14.36	14.18
Interest on statutory dues	0.20	0.87
Share of loss from partnership firm	1,065.53	984.36
Motor car expenses	2.89	2.27
Penalty		
National Green Tribunal (NGT) (refer note no.39)	98.88	-
Others	0.30	0.05
Provision for unascertained liabilities	75.72	-
Printing and stationery	9.11	7.22
Professional fees	24.29	18.46
Provision for doubtful debts	14.84	52.19
Sundry expenses	8.81	8.32
Telephone expenses	0.90	0.90
Transport charges	156.30	83.09
Payment to Auditors (Note no.30)	6.00	5.00
	1,625.97	**1,276.97**
	3,253.98	**2,313.31**

Jakharia Fabric Limited
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Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

29 Prior period income/(expenses)

	Year ended 31st March 2022	Year ended 31st March 2021
Corporate social responsibility (refer note no.37)	37.86	-
	37.86	-

30 Remuneration to Auditors:

	Year ended 31st March 2022	Year ended 31st March 2021
Audit fees	4.00	3.50
Tax audit fees	2.00	1.50

31 Earnings per share (EPS)

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

	Year ended 31st March 2022	Year ended 31st March 2021
Profit/ (loss) after tax	(1,449.40)	(1,189.52)

	Year ended 31st March 2022	Year ended 31st March 2021
Weighted average number of equity shares in calculating basic EPS		
Equivalent weighted average number of equity shares at the end of the year	40,63,830	40,63,830
Diluted weighted average number of equity shares at the end of the year / period	40,63,830	40,63,830
Earnings Per Share		
Basic EPS	(35.67)	(29.27)
Diluted	(35.67)	(29.27)

32 Employee benefit expenses:

a) Reconciliation of defined benefit obligation:

	Year ended 31st March 2022	Year ended 31st March 2021
Present value of DBO at start of year	143.59	125.34
Current Service Cost	28.94	30.00
Interest cost	9.94	8.66
Benefits paid	(1.26)	-
Actuarial Gain /(Loss) gain	(26.75)	(20.42)
Present value cost	154.46	143.59

b) Expenses recognised in Profit & Loss account

	Year ended 31st March 2022	Year ended 31st March 2021
Current Service Cost	28.94	30.00
Interest cost	9.94	8.66
Benefits paid	-	-
Past service cost	-	-
Actuarial Gain /(Loss) gain	(0.00)	(20.42)
Present value cost	38.88	18.24

Jakharia Fabric Limited
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Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

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

	Year ended 31st March 2022	Year ended 31st March 2021
Present value of DBO	0.00	0.00
Fair value of Plan Assets	-	-
Net Liabilty/ (Assets)	0.00	0.00
Less: Unrecognised Past Service Cost	-	-
Liability /(assets) recognised in Balance Sheet	0.00	0.00
of which Short Term Provision	10.00	5.71

33 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

(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	Year ended 31st March 2022	Year ended 31st March 2021
M/s. Jakharia Industries	Investments	379.19	140.63
M/s. Jakharia Industries	Job Charges	-	57.39
M/s. Jakharia Industries	Sales of Machinery	300.65	-
M/s. Jakharia Industries	Purchases	15.60	-
M/s. Jakharia Industries	Sales	17.91	2.70
Mr. Himmatlal Shah	Rent	1.20	1.20
Mahadev Enterprises	Job charges	-	24.14
Manoj Tiwari	Loan	4.00	4.00
Manoj Tiwari	Salary	4.88	4.13

(ii) Remuneration to key managerial personnel:

	Year ended 31st March 2022	Year ended 31st March 2021
Mr. Himatlal Shah	13.75	13.40
Mr. Dixit Shah	13.75	13.40
Mr. Jignesh Shah	13.75	13.40
Mr. Manekchand Shah	13.75	13.40
Mr. Nitin Shah	27.50	26.80

(iii) Outstanding balances

Name of the Party	Year ended 31st March 2022	Year ended 31st March 2021
(a) Receivables		
Jakharia Industries	-	1.02
(b) Investments		
M/s. Jakharia Industries	2,810.77	3,497.11
(c) Creditors		
Dixit Processors	70.72	71.16
Jakharia Industries	1.17	-
(d) Rent Payable		
Mr. Himatlal Shah	3.60	2.40
(f) Unsecured Loan		
Mr. Himatlal Shah	449.85	449.85
Mr. Dixit Shah	100.80	100.80
Mr. Jignesh Shah	335.30	335.30
Mr. Manekchand Shah	51.55	51.55
Mr. Nitin Shah	284.26	285.00
Mrs. Rinkal D Shah	49.28	49.28

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

34 Information regarding foreign exchange earnings and expenditure :

	Year ended 31st March 2022	Year ended 31st March 2021
Expenditure in Foreign Exchange	-	3.24

35 Foreign currency balance:

	As at 31st March 2022	As at 31st March 2021
Receivables	-	12.81

36 Contingent liabilities:
(To the extent not provided for)

	As at 31st March 2022	As at 31st March 2021
Disputed Income-tax	3.33	3.33
Bank guarantee	95.92	94.92
	99.25	98.25

37 Corporate Social Responsibility (CSR):

As per section 135 of the Companies 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 Company during the three immediately preceding financials years in accordance with its CSR Policy.
During the period under review, the company did not meet this criteria and therefore was not required to spend any amount towards CSR activity. However, the company has accumulated unspent CSR amounts aggregating to Rs.37.86 lacs of the previous years. Due to continued losses in the past 2 years, the company has not been able to spent the said amounts, nor transfer the same to a separate bank account. The company has made a suitable provision for the said prior period unspent CSR amount in the presesnt financial year.

Particulars	As at 31st March 2022	As at 31st March 2021
a. Amount required to be spent by the company during the year	Nil	7.67
b. Amount of expenditure incurred on :		
i. Construction/acquisition of any assets	-	-
ii. On purpose other than (i) above	-	-
c. Shortfall at the end of the year	-	7.67
d. Total of previous years shortfall	37.86	37.86
e. Reason for shortfall	As aforesaid mentioned	
f. Nature of CSR activities	NA	NA
g. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

38 The Managing Director of the Company, Mr. Nitin Shah resigned from the board on April 06, 2022. The Company has intimated this event being non adjusting in nature to the concerned authorities including the Stock Exchange.

39 Penalty amounting to INR 251.54 lakhs has been levied by NGT for alleged violation of environmental norms by the Company at its factory located at Tarapur MIDC. As per the directions of the Honourable Supreme Court dated December 14, 2020, the Company has deposited 30% of the penalty amounting to INR 75.46 lakhs which was disclosed as recoverable advance in financial year 2020-21. The order of penalty was stayed by the Honourable Supreme Court and has directed to hear the case afresh by giving opportunity to the concerned parties. Pursuant to the directions of the Honourable Supreme Court dated December 14, 2020, National Green Tribunal had reheard the matter and vide its direction dated January 24, 2022 had reduced the portion of compensation attributable to the company for alleged violations of environmental norms of manufacturers at Tarapur MIDC to an amount of of Rs.98.88 lakhs from Rs.251.51 lakhs. In view of the same the company has debited penalty amounting to INR 98.88 lakhs in the during the financial year 2021-22.

40 A major fire broke out in the factory of our Associate entity M/s. Jakharia Industries located at Plot No J/1/1, MIDC Tarapur, Boisar District, Palghar - 401506 on 4th September, 2021. Actual loss has been ascertained aggregating to Rs. 225.20 lacs. As per AS 23 under the equity method, the share of loss aggregating to Rs. 1065.53 lacs (including share in loss from fire amounting to Rs. 225.20 lacs).

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

41 Returns filed with banks with respect to working capital facilities availed

Name of the Bank	Quarters	Particulars of securities provided	Amount as per books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference-(short)/excess	Reasons for material discrepancies
Kotak Bank	Q-1 of FY 2020-21	Inventory	407.56	0.00	407.56	The difference are because the statements filed with the lenders are based on financial statements prepared on provisional basis and also because of exclusion of certain current assets / liabilities in the statements filed with the lenders.
		Debtors	1,587.88	1,749.22	161.34	
		Creditors	(1,375.30)	(1,276.35)	98.96	
			-	-		
Kotak Bank	Q-2 of FY 2020-21	Inventory	378.71	0.00	378.71	
		Debtors	1,241.10	1,263.42	22.31	
		Creditors	(1,204.67)	(1,036.18)	168.49	
			-	-		
Kotak Bank	Q-3 of FY 2020-21	Inventory	478.65	0.00	478.64	
		Debtors	1,186.27	1,155.20	(31.07)	
		Creditors	(1,127.15)	(1,153.89)	(26.74)	
			-	-		
Kotak Bank	Q-4 of FY 2020-21	Inventory	402.62	442.69	(40.07)	
		Debtors	1,269.00	1,372.59	103.59	
		Creditors	(1,292.62)	(1,277.20)	15.42	
			-	-		
Kotak Bank	Q-1 of FY 2021-22	Inventory	515.04	515.04	-	
		Debtors	1,268.05	1,290.62	22.57	
		Creditors	1,457.27	1,317.74	(139.53)	
			-	-		
Kotak Bank	Q-2 of FY 2021-22	Inventory	408.04	408.04	-	
		Debtors	1,345.23	1,851.40	506.17	
		Creditors	(1,629.55)	(1,584.63)	44.92	
			-	-		
Kotak Bank	Q-3 of FY 2021-22	Inventory	301.95	301.95	-	
		Debtors	1,728.56	1,724.45	(4.10)	
		Creditors	(1,834.02)	(1,464.28)	369.75	
			-	-		
Kotak Bank	Q-4 of FY 2021-22	Inventory	464.34	475.22	(10.88)	
		Debtors	1,461.77	1,455.19	(6.57)	
		Creditors	(1,912.54)	(1,411.41)	501.12	

42 Key Ratios

Ratio	Numerator	Denominator	Year ended 31st March 2022	Year ended 31st March 2021	% Variance	Reason for variance
(a) Current Ratio	Total Current Assets	Total Current Liabilities	0.56	0.71	20.27	Lower coverage due to higher level of installments of term loans & creditors due to losses in the last 2 years.
(b) Debt-Equity Ratio	Total Borrowing	Total Equity	1.05	0.68	(55.35)	Higher because of reduced capital on account of losses.
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Noncash operating expenses + Interest + Other non-cash	Debt service = Interest and lease payments + Principal repayments	(1.56)	(0.90)	(72.88)	Because of losses it has reduced coverage
(d Return on Equity Ratio	Loss for the period less Preference dividend (if any)	Average total equity	(0.52)	(0.20)	(156.05)	Because of loss ratio deteriorated.

Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
Notes forming part of Consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

42 Key Ratios

(e) Inventory Turnover Ratio	Cost of goods sold = Cost material Consumed + Purchases of stock in trade + Change in inventories of Finished Goods, Work in progress and	Average Stock	9.41	3.35	(180.48)		Ratio has improved as there is increase in revenue over previous year.
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	5.64	3.92	43.84		Ratio has improved as there is increase in revenue over previous year.
(g) Trade Payables Turnover Ratio	Net purchase = Purchase of Stock in trade + Purchase of Raw Material	Average Trade Payables	1.18	1.03	14.53		Ratio has improved due to better working capital management.
(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Total Current Asset - Total Current Liabilities	(4.85)	(5.44)	10.91		Ratio has improved due to better working capital management.
(i) Net Profit Ratio	Loss for the period	Revenue from Operations	(0.19)	(0.29)	32.95		Net profit margin of current year is better than previous year due to higher sales.
(j) Return on Capital Employed	Earning before finance cost and tax	Capital employed = Tangible Net worth + Total Borrowings + Deferred Tax	(0.30)	(0.19)	(55.29)		Losses have increased in the current year on account of loss from associate entity.

43 Other Statutory Information :

(i) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The company do not have any transactions with companies struck off.

(iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

44 As per the information available with the company, there are Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal and interest.

The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

45 Previous year figures :

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

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

As per our Report of even date

For Shah Shroff & Associates
Chartered Accountants
ICAI firm registration number: 0128920W

per Yashesh Shroff
Partner
Membership number: 103277

Place: Bhiwandi
Date: 30-05-2022

For and on behalf of the Board of Directors of
Jakharia Fabric Limited
(Formerly known as Jakharia Fabric Private Limited)
CIN : L17200MH2007PLC171939

Jignesh H. Shah
Director
[DIN: 00256315]

Dixit Shah
Director
[DIN: 01911262]

Manoj Tiwari
Chief Financial Officer

Bhavin Waghela
Company Secretary
M No.46806

Place: Bhiwandi
Date: 30-05-2022

NOTICE OF THE 15TH 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 **15th Annual General Meeting** of the members of **JAKHARIA FABRIC LIMITED** will be held on **Friday, 30TH September, 2022 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 2021-22 ended 31st March 2022, comprising of the Standalone & Consolidated Balance Sheet as at 31st March 2022, Standalone & Consolidated Statement of Profit & Loss and Standalone & Consolidated Statement of Cash Flow for the year 2021-22 ended 31st March 2022, together with the Report of the Statutory Auditors and Board's Report thereon

2. To re-appoint Director **Mr. Dixit Manikchand Shah (DIN: 01911262),** who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mrs. Shejal Jignesh Shah (DIN : 00327894) as Director of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT pursuant to the provisions of the companies act, 2014 **Mrs. Shejal Jignesh Shah** (DIN : 00327894), who was appointed as an Additional Director of the Company by the Board of Directors on 14th November, 2021 and holds directorship under Section 161 of the Companies Act, 2013, upto the date of the Annual General Meeting, be and is hereby appointed as a Director of the Company."

4. **Appointment of Mr. Ajitsingh Arjun Ghorpade (DIN: 08775510) as an Independent Director of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:-

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. Ajitsingh Arjun Ghorpade (DIN: 08775510), who was appointed as an Additional Director of the Company with effect from 14th November, 2021 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 14th November, 2021."

5. **Appointment of Mr. Jawahar Desai (DIN: 09305175) as an Independent Director of the Company.**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act, Mr. Jawahar Desai (DIN: 09305175), who was appointed as an Additional Director of the Company with effect from 14th November, 2021 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 14th November, 2021."

NOTES:

I. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. The relevant details of the Director seeking appointment under Item No. 3, 4 & 5 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**.

II. 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 15th 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, 13th April 2020 and General circular no. 2/2022 dated May 05, 2022 ("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 15th AGM. Hence, Members have to attend and participate in the ensuing AGM though VC/OAVM.

III. 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.

IV. 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 15th 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.

V. 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.

VI. **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**.

VII. The attendance of the Members attending the 15th AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

VIII. In line with the Ministry of Corporate Affairs (MCA) Circular No. 20/2020 dated May 05, 2020, the Notice calling the 15th 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

IX. 15th 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.

X. 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").

XI. The Register of Members and Share transfer Books of the Company will remain closed from **Friday the 23rd September, 2022 to Friday 30th September, 2022 (both days inclusive).** The Record date / cut-off date to determine the eligibility of members for the purpose of voting at the 15th AGM is **Thursday, the 29th September, 2022.**

XII. 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.

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

XIV. 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

XV. 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, 2022, 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

XVI. 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

XVII. 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 : 07.09.2022

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

EXPLANATORY STATEMENT

Item No. 3

The Board of Directors of the Company had appointed Mrs. **Shejal Jignesh Shah** as an Additional Director of the Company with effect from 14th November 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Mrs. Shejal Jignesh Shah shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as Director. A brief profile of Mrs. Shejal Jignesh Shah, including nature of her expertise, is annexed to this Notice. In the opinion of the Board, Mrs. Shejal Jignesh Shah fulfills the conditions specified in the Companies Act, 2013 for appointment as Director of the Company.

None of the Directors or Key Managerial Personnel and their relatives, except Mrs. Shejal Shah, Mr. Jignesh Shah, Chairman & Executive Director and Mr. Himatlal Shah, Wholetime Director, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 3 for approval of the Members.

Item No. 4

The Board of Directors of the Company had appointed Mr. Ajitsingh Arjun Ghorpade as an Additional Director of the Company with effect from 14th November 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Ajitsingh Arjun Ghorpade shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Ajitsingh Arjun Ghorpade signifying his candidature as an Independent Director of the Company.

A brief profile of Mr. Ajitsingh Arjun Ghorpade, including nature of his expertise, is annexed to this Notice.

The Company has received a declaration of independence from Mr. Ajitsingh Arjun Ghorpade. In the opinion of the Board, Mr. Ajitsingh Arjun Ghorpade fulfills the conditions specified in the Companies Act, 2013, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Ajitsingh Arjun Ghorpade, is concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 4 for approval of the Members.

Item No. 5

The Board of Directors of the Company had appointed Mr. Jawahar Desai as an Additional Director of the Company with effect from 14th November 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Jawahar Desai shall hold office up to the date of this Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Jawahar Desai signifying his candidature as an Independent Director of the Company.

A brief profile of Mr. Jawahar Desai, including nature of his expertise, is annexed to this Notice.

The Company has received a declaration of independence from Mr. Jawahar Desai. In the opinion of the Board, Mr. Jawahar Desai fulfills the conditions specified in the Companies Act, 2013, for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Jawahar Desai, is concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 5 for approval of the Members.

By order of the Board
For JAKHARIA FABRIC LIMITED

Sd/-
BHAVIN WAGHELA
COMPANY SECRETARY
DATE : 07.09.2022

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

'Annexure A to Notice of AGM'

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

Name	**Dixit Manikchand Shah**	**Shejal Jignesh Shah**	**Ajitsingh Arjun Ghorpade**	**Jawahar Desai**
Directors Identification Number (DIN)	01911262	00327894	08775510	09305175
Age	**39 Years**	**41 Years**	**47 Years**	**71 Years**
Qualification	Mr. Dixit Manikchand Shah has completed B.Com in 2004.	Mrs. Shejal Jignesh Shah has completed her Masters i.e. M.Com from Mumbai University in 2005.	Mr. Ajitsingh Ghorpade has completed his Graduation in BE from Shivaji University, Kolhapur IN 1996. He has done the MBA & MA from Shivaji University, Kolhapur IN 1998 & 2004 respectively. Also he has done M.Com from IGNOU, New Delhi in 2012.	Mr. Jawahar Desai has completed his Graduation in B.Com from Mumbai University in 1972 and a Fellow Member of the Institute of Chartered Accountant of India.
Expertise in Specific Area	He has a rich experience of over 19 years in the Textile Business. He plays a key role in managing the commercial and technical events of the Company.	She is having more than 10 years of experience textile business.	He is having total 20 years of experience in the Legal and managerial area. He has been a visiting faculty in a business school in Kolhapur.	He is a practicing Chartered Accountant with more than two decades of experience in various industries. His area of expertise are Audit and Taxation. He is running his own CA Firm i.e. Jawahar Desai & Co. since 1981.
Date of first Appointment on the Board of the Company	**18.04.2008**	**14.11.2021**	**14.11.2021**	**14.11.2021**
Shareholding in JAKHARIA	347000	75000	NIL	NIL

FABRIC LIMITED				
List of Directorship held in other companies	Dixit Processors LLP- Designated Partner	Jakharia Synthetics Private Limited - Director	i) KIN-TEX Engineers Private Limited - Director ii) Asia Maritime Services Private Limited - Director iii) BTC Energy Venture Private Limited - Director iv) Arco Infra Venture Private Limited - Director v) Fortune Shipping Lines Private Limited - Director vi) Focus 360 Degrees Media Private Limited - Director	NIL
Membership/ Chairmanships of Audit and Stakeholders Remuneration Committee	**N.A.**	**N.A.**	i) Member - Nomination and Remuneration Committee; ii) Chairperson - Stakeholders' Relationship Committee;	i) Member – Audit Committee ii) Chairperson - Nomination and Remuneration Committee; iii) Member - Stakeholders' Relationship Committee; iv) Chairperson - Corporate Social Responsibility (CSR) Committee:

By order of the Board
For JAKHARIA FABRIC LIMITED

Sd/-
BHAVIN WAGHELA
COMPANY SECRETARY
DATE : 07.09.2022

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