



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED**

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s Indoworth Fabrics (Raipur) Private Limited ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss for the period then ended, the Cash flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. 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 preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other regularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017; and
 - b) in the case of the statement of profit and loss, of the loss for the period ended on that date; and
 - c) in the case of Cash Flow Statement, of the Cash Flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that :
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet and the Statement of Profit and Loss with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of Section 164(2) of the Act.





- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in Annexure "B"
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i) The Company does not have any pending litigations as at March 31, 2017 which will impact its financial position in its financial statements.
 - ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There were no amounts required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv) The Company did not have any holdings or dealings in Specified Bank Notes as defined in Notification S.O. 3407 (E) dated the 8th November, 2016 of the Ministry of Finance, during the period from Details of Specified Bank Notes (SBN) held and transacted by the Company during the period from 8th November, 2016 to 30th December, 2016.

For R.K.Chandak & Co
FRN:319248E
Chartered Accountants

Binay Sharma
(Binay Sharma)
Partner
Membership No:065863
Dated : The 15th day of September 2017
Place : Kolkata





Annexure A to the Independent Auditors' Report
Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Indoworth Fabrics (Raipur) Private Limited on the financial statements for the period ended March 31, 2017.

- i) The company has no Fixed Asset and as such clause(i)(a),(b) and (c) of the order are not applicable to the company.
- ii) Having regard to the company's business, the provision of clause (ii) of the Order is not applicable to the company since the company has no inventories.
- iii) The Company has not granted any loans, secured and unsecured, to companies ,firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii)(a),(b) and (c) of the said order are not applicable to the Company.
- iv) In our opinion and according to information and explanations given to us, during the period the Company has not given loans, made investments, given guarantees and provided securities covered by provision of section 185 and 186 of the Companies Act,2013.
- v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of clause (v) of the order are not applicable to the company.
- vi) Maintenance of Cost records as prescribed by the Central Government under section 148(1) the Act, is not applicable.
- vii) Having regard to the company's business, the provision of clause (vii) (a) & (b) of the Order are not applicable to the company since the company has no employee and no liability in relation to statutory dues till date.
- viii) As per books & records maintained by the Company and according to information & explanation given to us, the Company has no dues to financial institutions, banks or debenture holders hence clause (viii) of the Order is not applicable to the Company.
- ix) To the best of our knowledge and belief and according to the information and explanations given to us ,no moneys has been raised by way of initial public offer or further public offer (including debt instrument) and neither any term loan has been obtained by the company during the period.Therefore, the provisions of clause (ix) of the order are not applicable to the Company.





- x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the period.
- xi) In our opinion and according to the information and explanation given to us , the company has not paid any managerial remuneration covered under the provisions of Section 197 read with schedule V of the Companies Act,2013. Therefore, the provision of clause (xi) of the order are not applicable to the company.
- 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 Orders are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by applicable accounting standards.
- xiv) During the period under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
- xv) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly the provisions of Clause 3(xiv) are not applicable to the Company.
- xvi) The Company is not a Non Banking Finance Company therefore provision of clause 3(xvi) of the order are not applicable to the Company.

For R.K.Chandak & Co
FRN:319248E
Chartered Accountants

Binay Sharma
(Binay Sharma)
Membership No-065863
Dated : The 15th day of September 2017
Place : Kolkata





ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of M/s Indoworth Fabrics (Raipur) Private Limited on the standalone financial statements for the period ended March 31, 2017

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Act

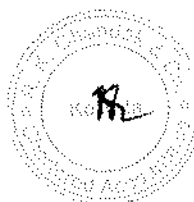
1. We have audited the internal financial controls over financial reporting of M/s Indoworth Fabrics (Raipur) Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for the financial Controls

2. 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 controls stated in the Guidance Notes on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implication 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 timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Notes") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls based on the assessed risk. The procedure selected depend on the auditor's depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud and error.
5. We believe that the audit evidence we have obtained is sufficient to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.





Meaning of Internal Financial Controls over Financial Reporting

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

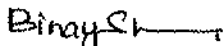
Inherent Limitations of Internal Financial Control over Financial Reporting

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R.K.Chandak & Co
FRN:319248E
Chartered Accountants


(Binay Sharma)
Membership No-065863
Dated : The 15th day of September 2017
Place : Kolkata



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED

BALANCE SHEET as at 31st March, 2017

Amount in ₹

Particulars	Note No	As at 31st March 2017	
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	100,000.00	
Reserves and Surplus	2	<u>(109,277.00)</u>	(9,277.00)
Non Current Liabilities			
Other long term liability	3		10,000.00
Current Liabilities			
Other Current Liabilities	4	11,800.00	<u>11,800.00</u>
Total			<u><u>12,523.00</u></u>
ASSETS			
Current Assets			
Cash and Bank Balance	5	12,523.00	12,523.00
Total			<u><u>12,523.00</u></u>
Significant Accounting Policies	6		-
Other Notes on Financial Statements	7		

As per our Report of even date

For R.K.CHANDAK & CO

Firm Registration No:319248E

Chartered Accountants

Binay Sharma

Binay Sharma

Partner

Membership No:065863

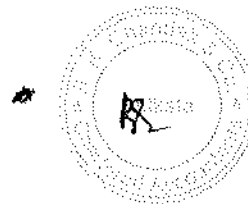
Place : Kolkata

Dated : The 15th day of September 2017

For and on behalf of the Board

[Signature]
Director

[Signature]
Director



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED
31ST MARCH, 2017

Amount in ₹

Particulars	Note No	Period ended 31st March 2017
Income from Operation		
Total Revenue		-
Other Expenses	6	109,277.00
Total expenses		109,277.00
Profit before tax		(109,277.00)
Tax Expense:		
Current Tax		-
Deferred Tax		-
Profit for the year		(109,277.00)
Significant Accounting Policies	7	
Other Notes on Financial Statements	8	



As per our Report of even date

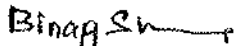
For R.K.CHANDAK & CO

FRN:319248E

Chartered Accountants

For and on behalf of the Board

 - 
 Director - Director



Binay Sharma

Partner

Membership No:065863

Place : Kolkata

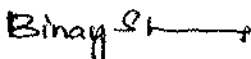
Dated : The 15th day of September 2017



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2017


PARTICULARS	31.03.2017
	₹
A) CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit /(Loss) before tax and after extra ordinary Item	(109,277.00)
Adjustments For	
Depreciation	-
Operating Profit before working Capital Changes	(109,277.00)
Adjustments For	
Short term loan and advances	-
Other long term liabilities	10,000.00
Current liabilities	11,800.00
Cash Flow before Extra Ordinary Items	(87,477.00)
Direct tax paid(net of refund)	-
 Net Cash from Operating Activities (A)	 (87,477.00)
B) CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Fixed Asset	-
Net Cash From Investing Activities (B)	-
C) CASH FLOW FROM FINANCING ACTIVITIES	
Long term borrowings	-
Proceeds from Equity share capital	100,000.00
Net Cash From Financing Activities (C)	100,000.00
 Net Increase in Cash and Cash Equivalents (A+B+C)	 12,523.00
 Cash and Cash Equivalents as on 31.03.2017	 12,523.00


As per our report annexed
For R.K.Chandak & Co
FRN:39248E
Chartered Accountants

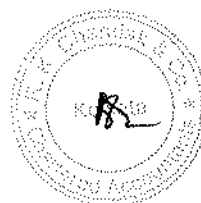

Binay Sharma
Partner
MN: 065863

Place :
Dated : The 15th day of September 2017

For and on behalf of the Board


Director


Director



Particulars	As at 31st March 2017
1 Share Capital	
Authorised Share Capital 500,000 Equity Shares of ₹ 10 each.	5,000,000.00
Total	<u>5,000,000.00</u>
Issued,Subscribed and Paid up: 10,000 Equity Shares of ₹10 each fully paid up.	100,000.00
Total	<u>100,000.00</u>

1.1 The details of Shareholders holding more than 5% shares:

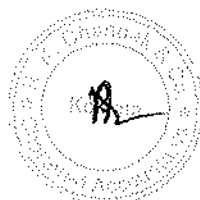
Name of the Shareholders	No of Shares	% held
Indoworth Holdings Limited	10,000	100.00%

1.2 The reconciliation of the number of shares outstanding is set below:

Particulars	No of Shares
Equity Shares at the beginning of the year	-
Equity Shares issued during the year	10,000
Equity Shares bought back during the year	-
Equity Shares at the end of the year	10,000

1.3 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to 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 payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

Particulars	As at 31st March 2017
2 Reserves and Surplus	
Surplus	-
Surplus for the period	(109,277.00)
Closing balance	(109,277.00)
Total	<u>(109,277.00)</u>
3 Other long term liability	
From Holding Company	10,000.00
Total	<u>10,000.00</u>
4 Other Current Liabilities	
Other Payable	11,800.00
Total	<u>11,800.00</u>
5 Cash and Bank Balance	
Cash and cash equivalents	
Balance with Banks	
In current account	12,523.00
Total	<u>12,523.00</u>



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED

Notes on Financial Statements for the period ended 31st March ,2017

Amount in ₹

Particulars	Period ended 31st March 2017
6 Other expenses	
Auditors' Remuneration	
- Audit Fees	11,800.00
Bank Charges	437.00
Preliminary expenses	84,540.00
Professional charges	12,500.00
Total	<u>109,277.00</u>



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED

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7. Statement of Significant accounting policies for the period ending on 31, March 2017

7.1 Basis of Preparation

The financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India. The financial statements have been prepared to comply with all material respects with the mandatory Accounting Standards (AS) 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 under the historical cost convention and on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

7.2 Significant Accounting Policies

a) Use of Estimate

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 revenue, incomes, assets and liabilities and disclosures 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.

b) Taxes on Income

Current Tax is determined on the amount of tax payable in respect of taxable income for the year. Deferred Tax liabilities/assets are reviewed as at each balance sheet date based on development during the year to reassess realization/liabilities and are accordingly provided.

c) Contingent Liabilities

Contingent liabilities are generally not provided for in the accounts and are shown separately in other notes on accounts.



INDOWORTH FABRICS (RAIPUR) PRIVATE LIMITED

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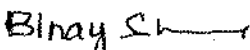
8. Other Notes on Financial Statement for the financial period ended on 31st March 2017
- 8.1 Contingent liabilities are nil
- 8.2 Balance in payables accounts are subject to confirmations.
- 8.3 By virtue of holding of 100% equity shares in M/s Indoworth Holdings Limited, the Company has become the wholly owned subsidiary of M/s Indoworth Holdings Limited.
- 8.4 Related party Disclosures: Accounting Standard-18
- a) List of Related Party and relationship
- A. Holding Company
1. Indoworth Holdings Limited
- b) Related Party Transactions

Sr No	Nature of Transaction	2016-17
1	Advance received	10,000
2	Payable to	10,000
3.	Outstanding balance	10,000

- 8.5 The Company did not have any holdings or dealings in Specified Bank Notes as defined in Notification S.O. 3407 (E) dated the 8th November ,2016 of the Ministry of Finance ,during the period from Details of Specified Bank Notes (SBN) held and transacted by the Company during the period from 8th November,2016 to 30th December,2016.
- 8.6 The Company has been incorporated on 28.02.2017 and the account has been prepared for the period 28.02.2017 to 31.03.2017 , hence previous year figures are all Nil.
- 8.7 Significant accounting policies adopted by the company are disclosed in the statement annexed to these financial statements as Note 7.

For R. K.CHANDAK & CO.
FRN:319248E
Chartered Accountants

For and on behalf of the Board


Binay Sharma
Partner


Director


Director

MN:065863
Place:Kolkata
Date:The 15th day of August 2017

