

# **ANNUAL REPORT : 2018-19**

## **N K TEXTILE INDUSTRIES LIMITED**

**(CIN : L17299DL1983PLC163230)**

**Regd. Office: Omaxe Square, Plot No. 14, Jasola District Centre,  
Jasola, New Delhi-110 025**

**Email id – [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com)**

**Tel:91 11 61119313**

**[www.nktil.com](http://www.nktil.com)**

# **N K Textile Industries Limited**

**Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025**

**CIN: L17299DL1983PLC163230, Tel: +91 11 61119313**

**Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website:[www.nktil.com](http://www.nktil.com)**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Sunil Aggarwal	Director
Mrs. Beenu Agarwal	Woman Director
Mr. Balbir Singh	Independent Director
Mr. Sanjay Kumar Gupta	Independent Director

### **KEY MANAGERIAL PERSONNEL**

Mr. Anil Kumar Dua	Chief Executive Officer
Mr. Surindra Kapoor	Chief Financial Officer
Ms. Sheetal Bharti	Company Secretary

### **BOARD COMMITTEES**

#### **AUDIT COMMITTEE**

Mr. Balbir Singh	Chairman
Mr. Sunil Aggarwal	
Mr. Sanjay Kumar Gupta	

#### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Balbir Singh	Chairman
Mr. Sunil Aggarwal	
Mr. Sanjay Kumar Gupta	

### **STATUTORY AUDITORS**

M/s Kumar Chopra & Associates  
Chartered Accounts  
B-12, Ground Floor, Kalindi Colony, Near Maharani Bagh, New Delhi-110065

### **SECRETARIAL AUDITORS**

M/s Kundan Agrawal & Associates  
H-23A, 204 Kamal Tower, Near Sai Mandir,  
Vikas Marg, Laxmi Nagar, Delhi-110092

### **INTERNAL AUDITORS**

M/s S K Shukla & Co.,  
Chartered Accountants  
184, 2<sup>nd</sup> Floor, Jeewan Nagar, Near Tikona Park, New Delhi-110014

### **REGISTRAR AND SHARE TRANSFER AGENT**

MAS Services Limited  
T-34, 2nd Floor, Okhla Industrial Area, Phase-II  
New Delhi-110020

### **REGISTERED OFFICE**

Omaxe Square, Plot No. 14, 5<sup>th</sup> Floor, Jasola  
District Centre, Jasola, New Delhi-110025

# CONTENTS

NOTICE OF ANNUAL GENERAL MEETING	I - XII
DIRECTORS' REPORT	1 - 27
<b>STANDALONE FINANCIAL STATEMENT</b>	
INDEPENDENT AUDITORS' REPORT	28 - 35
BALANCE SHEET	36
STATEMENT OF PROFIT AND LOSS ACCOUNT	37
CASH FLOW STATEMENT	38
NOTES TO FINANCIAL STATEMENTS	39 - 49
<b>CONSOLIDATED FINANCIAL STATEMENT</b>	
AUDITORS' REPORT	50 - 57
BALANCE SHEET	58
STATEMENT OF PROFIT AND LOSS ACCOUNT	59
CASH FLOW STATEMENT	60
NOTES TO FINANCIAL STATEMENTS	61 - 73

<b>36<sup>th</sup> ANNUAL GENERAL MEETING</b>	
Day:-	Monday
Date:-	30 <sup>th</sup> September, 2019
Time:-	12.00 P.M
Venue:-	<b>At 'The Sentinel' , 47, Pocket -1, Jasola, New Delhi-110025</b>

# N K Textile Industries Limited

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## NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Monday, 30<sup>th</sup> September, 2019 at 'The Sentinel', 47, Pocket A, Jasola, New Delhi-110025 at 12.00 P.M to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - i. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 the reports of the Board of Directors and Auditors thereon; and
  - ii. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019.
2. To appoint a Director in place of Mr. Sunil Aggarwal (DIN:00029286) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

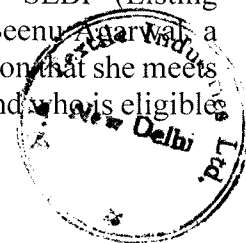
To consider and if thought fit, to pass the following Resolutions with or without modification(s):

#### 3. As a Special Resolution

**“RESOLVED THAT** pursuant to Sections 149,150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjay Kumar Gupta (DIN 00027728), an Independent Director whose term of directorship ends on conclusion of this 36<sup>th</sup> AGM and in whose respect the Company has received a written notice from a member proposing his candidature for reappointment as an Independent Director, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, to hold office for another term of 5 (five) consecutive years i.e. upto the conclusion of the 41<sup>st</sup> AGM of the Company in the calendar year 2024.”

#### 4. As a Special Resolution

**“RESOLVED THAT** pursuant to Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Beenu Aggarwal, a Non-Executive Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible



for appointment and also in respect of whom the Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director be and is hereby appointed as an Independent Director in place of Mr. Balbir Singh whose tenure will expire in the ensuing Annual General Meeting, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years i.e. upto the conclusion of the 41<sup>st</sup> AGM of the Company in the calendar year 2024.”

By order of the Board  
For N K Textile Industries Limited

*(Balbir)*

**Balbir Singh**  
**Director**

**DIN:00027438**

Address: A-367, Pocket A, Sarita Vihar, New Delhi-110076

**Place: New Delhi**

**Date : 14<sup>th</sup> August, 2019**



**Notes:**

1. The Register of Members and Share Transfer Register of the Company shall remain closed from Tuesday, September 24, 2019 to Monday, September 30, 2019 (both days inclusive) for the purpose of taking record of the shareholders at the Annual General Meeting.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. Proxy Form, in order to be effective, shall be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy form is annexed to this Notice. Proxy forms submitted on behalf of the limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Corporate members intending to send their authorized representative to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of Items 3 and 4 is annexed to the Notice of the meeting.
5. Securities and Exchange Board of India (“SEBI”) has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company and its Registrar and Transfer Agents (RTA) have stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization.
6. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their name, address, bank details, ECS mandate, nominations, power of attorney, email ID, etc. to their depository participants only and not to the Company or its RTA. The said intimation will be automatically reflected in the Company’s records.
7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the AGM held on 21<sup>st</sup> September, 2017 for a period of five years.
8. Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company’s RTA.
9. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in form SH-13.



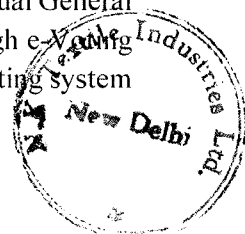
10. Members may contact M/s. MAS SERVICES LIMITED, the Registrars & Transfer Agents (RTA) for any investor related services .The address and other contact details of RTA are as under:

MAS SERVICES LIMITED, IN200133  
Address:T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area,  
Phase-II, New Delhi-110020  
Tel. No.:011-26387281, 82, 83  
Fax No.: 011-26387384

11. The Statement of Profit and Loss for the financial year ended 31st March, 2019, the Balance Sheet as at that date, the Auditors' Report, the Directors' Report and all other documents annexed or attached thereto, are available for inspection by Members at the Registered Office and Corporate Office of the Company between 11:00 a.m. and 1:00 p.m. on working days up to the date of this AGM. Members may also visit the Company's website [www.nktil.com](http://www.nktil.com) for viewing various financial information including the quarterly results and annual report of the Company.
12. As a part of its 'Green Initiative' in the Corporate Governance and pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules issued thereunder, companies can serve annual report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with its depository participant. Therefore, electronic copy of the annual report along with the Notice is being sent to all those members whose e-mail addresses are registered with the Company/Depository Participant unless a member has requested for a physical copy of the same.
13. Vide its Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, the SEBI has instructed all the companies to use electronic mode of payment to the investors. Companies whose securities are listed on Stock Exchanges are directed to use, either directly or through their RTI & STA, any Reserve Bank of India approved electronic mode of payment such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT etc.
14. Members, who have not yet submitted their requisite bank account details, are once again requested to kindly provide these details by quoting their reference folio number(s) if shares are held in physical form. If shares are held in dematerialised form, Members may kindly provide the requisite bank account details to their Depository Participant to ensure that dividend payment is correctly credited to their account.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.

**17. Voting through electronic means**

- A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 the Company is pleased to provide its members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system



from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- B. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D. The remote e-voting period commences on Thursday, September 26, 2019 (09:00 am) and ends on Sunday, September 29, 2019 (05:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- E. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the as on the cut-off date i.e, 23<sup>rd</sup> September, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through poll papers.
- F. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the as on the cut-off date i.e, 23<sup>rd</sup> September, 2019. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through poll papers.

**The procedure and instructions** for members for remote e-voting are as under:

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.





3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to

Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 are mentioned below:**

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at step 1, you will be able to see the Home page of e-voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. **Select "EVEN" of the Company, which is 111496**
4. Now you are ready for e-voting as the Voting page opens.



5. Cast your vote by selecting appropriate options, i.e, assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “submit” and also “confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for Shareholders**

1. Intuitional shareholders (i.e, other than individuals, HUF, NRI, etc.)are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc.with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to [kapahiassociates@yahoo.com](mailto:kapahiassociates@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forget User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. :1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

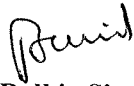
**Other Instructions:**

- i. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 23rd , 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- ii. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- iii. Mr. Surrinder Kishore Kapahi (CP No. 1118), Proprietor Kapahi and Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting (i.e remote e-voting and physical voting at the meeting) process in a fair and transparent manner.
- iv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

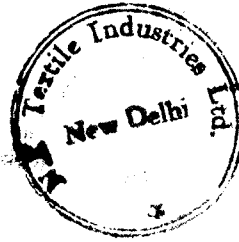


- v. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.nktil.com](http://www.nktil.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Metropolitan Stock Exchange of India Limited (formerly Known as MCX Stock Exchange Limited) and Calcutta Stock Exchange (CSE)

By order of the Board  
For N K Textile Industries Limited



**Balbir Singh**  
Director  
DIN: 00027438



**Place: New Delhi**  
**Date : 14<sup>th</sup> August, 2019**

# N K Textile Industries Limited

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
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CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT,  
2013

## Item No. 3

As per the provisions of Section 149 of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two consecutive terms of five years each and shall not be liable to retire by rotation. Further, Consent of the Members by way of Special Resolution is required for re-appointment of an Independent Director.

The Members of the Company on 30<sup>th</sup> September, 2014 approved the appointment of Mr. Sanjay Kumar Gupta as an Independent Director of the Company for a period of five years i.e. till the conclusion of the 36<sup>th</sup> AGM of the Company to be held in the calendar year 2019. Mr. Sanjay Kumar Gupta will complete his term upon the conclusion of 36<sup>th</sup> AGM to be held on 30<sup>th</sup> September, 2019.

The Board of Directors of the Company at the meeting held on 14<sup>th</sup> August, 2019, on the recommendation of the Nomination & Remuneration Committee recommended for the approval of the Members, the re-appointment of Mr. Sanjay Kumar Gupta as an Independent Director of the Company to hold office for another term of 5 (five) years i.e. upto the conclusion of the 41<sup>st</sup> AGM of the Company to be held in the calendar year 2024, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and relevant regulations of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as set out in the Resolutions relating to the re-appointment. In the opinion of the Board, Mr. Sanjay Kumar Gupta fulfills the criteria specified under Companies Act, 2013 and SEBI (LODR) Regulations, 2015, for being appointed as an Independent Directors of the Company.

Requisite Notice under Section 160 of the Act proposing the re-appointment of Mr. Sanjay Kumar Gupta has been received by the Company and consent has been filed by Mr. Sanjay Kumar Gupta pursuant to Section 152 of the Companies Act, 2013. The Company has also received declarations from Mr. Gupta to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mr. Sanjay Kumar Gupta is concerned or interested in the Resolution.

The Board recommends the resolution as set out at Item No. 3 of the Notice for your approval.



**Brief profile of Mr. Sanjay Kumar Gupta is as follows:**

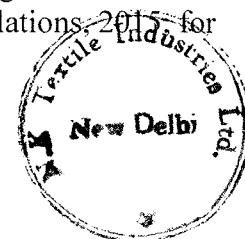
<b>Name of the Director</b>	<b>Mr. Sanjay Kumar Gupta</b>
Director Identification Number	00027728
Date of joining the Board	29.06.2007
Qualification	CA, CS & CMA
Profile of the Director	Mr. Sanjay Kumar Gupta is a finance professional with many years of work experience. Mr. Gupta is a qualified Chartered Accountant. He possesses vast experience in the field of taxation, accounting, banking, finance and corporate law matters.
Directorships in other companies	1. Gopal Krishna Infrastructure & Real Estate Limited 2. Chase Investments Limited 3. International Tobacco Company Limited 4. Friendly Reality Projects Limited 5. Premium Merchants Limited 6. Premium Tradelinks Private Limited 7. Unique Space Developers Limited 8. Rajputana Infrastructure Corporate Limited
Number of Shares held in Company	NIL

**Item No. 4**

Mrs. Beenu Agarwal is a Non-Executive Director of the Company. She joined the Board of Directors of the Company in March, 2015.

Mrs. Beenu Agarwal is a finance professional with many years of work experience. Mrs. Agarwal is a qualified Chartered Accountant. She possesses vast experience in the field of taxation, accounting, banking and finance. Mrs. Agarwal is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 2013.

The Board of Directors of the Company at the meeting held on 14th August, 2019 on the recommendation of the Nomination & Remuneration Committee, recommended for the approval of the Members, the appointment of Mrs. Beenu Agarwal as an Independent Directors of the Company to hold office for a term of 5 (five) years i.e. upto the conclusion of the 41st AGM of the Company to be held in the calendar year 2024 in place of Mr. Balbir Singh, who will complete his term upon the conclusion of 36th AGM to be held on 30th September, 2019 in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and relevant regulations of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as set out in the Resolutions relating to the appointment. In the opinion of the Board, Mrs. Beenu Agarwal fulfill the criteria specified under Companies Act, 2013 and SEBI (LODR) Regulations, 2015 for being appointed as an Independent Directors of the Company



Requisite Notice under Section 160 of the Act proposing the appointment of Mrs. Beenu Agarwal has been received by the Company and consent has been filed by Mrs. Beenu Agarwal pursuant to Section 152 of the Companies Act, 2013. The Company has also received declarations from her to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mrs. Beenu Agarwal is concerned or interested in the Resolution.

The Board recommends the resolutions as set out at Item No. 4 of the Notice for your approval.

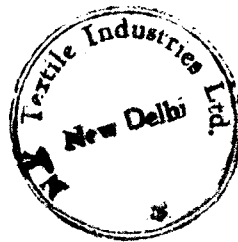
Brief profile of Mrs. Beenu Agarwal is as follows:

<b>Name of the Director</b>	<b>Mrs Beenu Agarwal</b>
Director Identification Number	00056062
Date of joining the Board	04.03.2015
Qualification	CA
Profile of the Director	Mrs. Beenu Agarwal is a finance professional with many years of work experience. Mrs. Agarwal is a qualified Chartered Accountant. She possesses vast experience in the field of taxation, accounting, banking, and finance matters.
Directorships in other companies	1. Aar shyam India Investment Company Limited
Number of Shares held in Company	NIL

**For N K Textile Industries Limited**



**Balbir Singh**  
**Director**  
**DIN: 00027438**



**Place: New Delhi**  
**Date : 14<sup>th</sup> August, 2019**

# N K Textile Industries Limited

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025

CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)

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## N K TEXTILE INDUSTRIES LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 36<sup>th</sup> Annual Report together with the Audited Financial Statements for the year ended March 31, 2019.

#### 1. Financial Highlights

The Company earned at a profit of Rs. 0.11 (before tax) as against a loss of Rs.0.11 lakh in the previous year. The consolidated profit (before tax) during the year under review was Rs. 195.57 (before tax) as against a profit of Rs. 211.92 (before tax) in the previous year.

#### 2. State of Company's affair

The Company is an investment company and registered as Non-Banking Financial Company (NBFC) with Reserve Bank of India under Section 45-IA of the RBI Act, 1934.

During the year under review, the income of the Company by way of Interest from bank is Rs. 6.65 lacs as against Rs.3.61 lacs in the previous year.

#### 3. Dividend

In order to conserve the resources for future requirements, no dividend is proposed to be declared during the year under review.

#### 4. Management Analysis and Review

The Company being an NBFC forms a significant segment of the banking system and play an important role in broadening access to financial services and enhancing competition and diversification of the financial sector. Over the years, NBFCs have become a crucial part of the Indian financial system.

During the year under review the whole of income was from interest income from banks and other sources representing 100% of total income.

#### 5. Transfer to Reserves

During the year under review, no amount was transferred to Reserves.





## **6. RBI Guidelines**

Your Company has complied with all the applicable regulations prescribed by the Reserve Bank of India (RBI) from time to time. According to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to create a reserve fund and transfer therein a sum not less than 20% of its Net Profit every year. In view of accumulated losses till 31<sup>st</sup> March, 2018 and nominal profit during the year under review, no amount has been transferred to the Statutory Reserve.

The RBI vide its notification has issued directions to all NBFC's to make provision of 0.25% on standard assets and the same is being complied with, if applicable.

## **7. Detailed performance and financial position of Subsidiary/Joint Venture/ Associate Companies**

A report on the performance and financial position of the Subsidiaries and Associate Company as per the Companies Act, 2013 is provided as **Annexure 'A'**. There is no joint venture of the Company.

## **8. Extract of Annual Return**

The details forming part of the extract of Annual Return in form MGT- 9, as required under Section 92 of the Companies Act, 2013 is included in this report as per **Annexure 'B'**.

## **9. Compliance relating to Secretarial Standards**

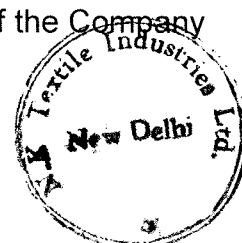
The Company has complied with the applicable secretarial standards issued by Institute of Companies Secretaries of India for the Financial Year 2018-19.

## **10. Corporate Governance**

The Company is listed with Metropolitan Stock Exchange of India Limited (formerly Known as MCX Stock Exchange Limited) and Calcutta Stock Exchange (CSE). In view of clause 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the compliance with the Corporate Governance provisions as specified in Regulations 17,18,19,20,21,22,23,24,25,26,27 and clause (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company under the criteria given in the said Regulation. Hence, no disclosure has been made on the items covered under Corporate Governance.

## **11. Directors/ Key Managerial Personnel**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sunil Agarwal (DIN: 00029286) Director of the Company



retires by rotation at the ensuing Annual General Meeting and being eligible offer himself of re-appointment. There has been no change in the Director or KMP of the Company during the year under review.

## 12. Declaration given by Independent Director

The Company has received declaration from Mr Balbir Singh (DIN: 00027438) and Mr. Sanjay Kumar Gupta (DIN:00027728), Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

## 13. Annual Performance Evaluation

The Company in consultation with Nomination and Remuneration Committee has carried out the performance evaluation of Independent Directors, Board, Committees and other individual Directors. Pursuant to the provisions of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of Independent Directors was completed. The performance evaluation of the other Board Members was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

## 14. Number of Meetings of the Board

The details of the number of meetings of the Board held during the Financial Year 2018-19 are as follows:

S.No.	Date of Meeting	Name of Directors who attended the meeting
1	27.04.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
2	30.05.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
3	03.08.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal



4	05.11.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
5	10.01.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
6	07.02.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal

### 15. Deposits

The Company has not accepted any public deposits during the year under review.

### 16. Particulars of Loans, Guarantees or Investments by Company

Details of Investments is given in the notes to Financial Statements. (Please refer Note 5 of the Financial Statement). No guarantee was given by the company during the Financial Year 2018-19.

### 17. Related Party Transactions

All related Party Transactions are placed before the Audit Committee for their approval. The transactions with the related parties are done at arm's length basis in the ordinary course of business. There are no transactions with related party during the year under review. Hence, form AOC-2 has not been furnished.

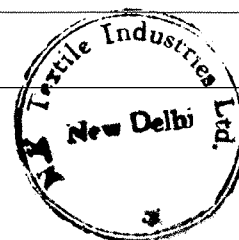
### 18. Whistle Blower Policy/ Vigil Mechanism

The Company has formulated a whistle blower policy to report genuine concerns or grievances and the said policy is available on the Company's website [www.nktil.com](http://www.nktil.com).

### 19. Audit Committee

The composition of audit committee of the Company is as follows:

S. No.	Name of Member	Designation
1.	Mr. Balbir Singh	Chairman (Independent Director)
2	Mr. Sanjay Kumar Gupta	Member (Independent Director)
3	Mr. Sunil Aggarwal	Member



The details regarding number of meetings held by Audit Committee during the year are as follows:

S.No.	Date of Meeting	Name of Directors who attended the meeting
1	30.05.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
2	03.08.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
3	05.11.2018	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
4	07.02.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta

The Board has accepted all the recommendations proposed by audit committee during the financial year.

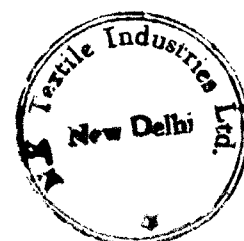
## 20. Nomination and Remuneration Committee

The composition of Nomination and Remuneration committee of the Company is as follows:

S. No.	Name of Member	Designation
1.	Mr. Balbir Singh	Chairman (Independent Director)
2.	Mr. Sanjay Kumar Gupta	Member (Independent Director)
3.	Mr. Sunil Aggarwal	Member

The details regarding number of meetings held by Nomination and Remuneration Committee during the year are as follows:

S.No.	Date of Meeting	Name of Directors who attended the meeting
1	26.03.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta



## 21. Remuneration and Nomination Policy

The Nomination and Remuneration Committee framed a Remuneration and Nomination Policy for selection and appointment of Directors, Senior Management and their remuneration.

The policy formulated by nomination and remuneration committee is available on the Company's website: [www.nktil.com](http://www.nktil.com)

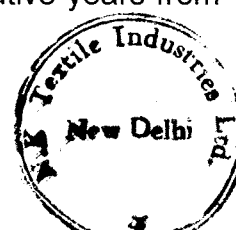
## 22. Director's Responsibility Statement

To the best of their knowledge and in terms of the provisions of Section 134 (3) (c) of the Companies Act, 2013, the Directors make the following statements:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- b) the director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. Statutory Auditor

In compliance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)/ re-enactment(s)/amendment(s) thereof, for the time being in force), M/s Kumar Chopra & Associates, Chartered Accountants (Firm Registration No. 000131N) were appointed as the Statutory Auditors of the Company at the Thirty Fourth Annual General Meeting of the Company held on 21<sup>st</sup> September 2017, to hold office for a term of five (5) consecutive years from



the conclusion of the Thirty Fourth Annual General Meeting until the conclusion of Thirty ninth Annual General Meeting.

#### **24. Consolidated Financial Statement**

The Company has one direct subsidiary namely 'Rajputana Developers Limited'(RDL), one indirect subsidiary namely 'Super Investment (India) Limited through RDL and one Associate Company namely 'H M A Udyog Private Limited'. In accordance with the Companies Act, 2013, Accounting Standard (AS -21) on consolidated financial statements and Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements, the audited consolidated financial statement has been prepared and furnished as a part of the Annual Report for the year under review.

#### **25. Auditor's Report**

There is no audit qualification on the financial Statements by the statutory auditors for the year under review. Hence, there are no comments on the Auditor's Report.

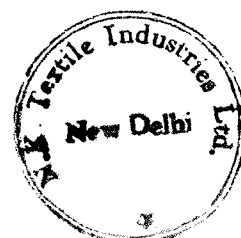
#### **26. Secretarial Auditor**

The Board appointed 'M/s Kundan Agrawal & Associates', Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19 pursuant to section 204 of the Companies Act, 2013. The Secretarial Audit report submitted by them in the prescribed form MR-3 is attached as per **Annexure 'C'** and forms part of this report.

Regarding observations on Net Owned Fund (NOF) in the Secretarial audit Report, it is submitted that the Company proposes to raise its paid up equity share capital so as to meet the NOF requirement as per the Reserve Bank of India (RBI) Guidelines.

#### **27. Internal Control System and their Adequacy**

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



## **28. Risk Management**

The Company has formally adopted a Risk Management Policy to identify and assess the Key risk areas, monitor and report compliance and effectiveness of the policy and procedure. The Board periodically reviews the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

## **29. Business Responsibility Reporting**

Pursuant to Regulation 34 of SEBI (Listing Obligation and disclosure Requirement) Regulation, 2015, Business Responsibility Reporting is applicable for top five hundred listed entities based on market capitalization calculated as on March 31<sup>st</sup> of every Financial Year. The above reporting is not applicable to the Company as it is not covered under the criteria given in the said Regulation. Therefore, no disclosure has been made on the items covered under Business Responsibility Reporting.

## **30. Corporate Social Responsibility (CSR)**

The provisions of Corporate Social Responsibility are not applicable to the Company as per the criteria laid down under section 135 of the Companies Act, 2013.

## **31. Remuneration to Directors and Key Managerial Personnel**

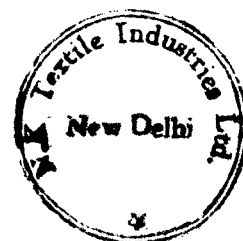
A statement of Particulars relating to remuneration as per rule 5 of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 is annexed as per **Annexure 'D'**

## **32. Statutory information**

Being an Investment Company, there are no particulars which are required to be furnished under section 134 (3) (m) of the Companies Act, 2013 relating to Conservation of Energy and Technology Absorption, as these are not applicable .There were no foreign exchange earnings or outgo during the year.

## **33. Equity Shares Capital**

The Equity share capital of the Company as at 31st March, 2019 stood at Rs. 83.98 lacs. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company.



### 34. Code for Prevention of Insider-trading practices

The Company has placed a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the management and other connected persons, on procedures to be followed and disclosures to be made by them in dealing with the shares of the Company. The said code of Practices is also available on company's website: [www.nktil.com](http://www.nktil.com)

### 35. Disclosures

- a. No significant and material orders were passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.
- b. There were no material changes and commitments during the year under report.
- c. There was no change in the nature of business during the year under report.
- d. During the year under review, no complaints were reported to the Board under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal ) Act, 2013.

The other relevant provisions/ sections of the Companies Act, 2013 are not applicable to the Company and therefore have not been reported above.

### 36. Appreciation

Your directors wish to thank and express their sincere appreciation to the valued shareholders, bankers and clients for their continued support and faith reposed in the Company.

**Respectfully submitted on behalf of the Board**

Place: New Delhi  
Dated: 29.05.2019

  
**(Balbir Singh )**  
Director  
(DIN-00027438)

  
**(Sanjay Kumar Gupta)**  
Director  
(DIN-00027728)





# N K Textile Industries Limited

**Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025**

**CIN: L17299DL1983PLC163230, Tel: +91 11 61119313**

**Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)**

## Form AOC-1

(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/ associate companies/joint ventures**

### Part "A": Subsidiaries

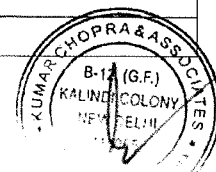
(Rs. in Rs)

Sl.No.	Particulars	Details	
1	Name of the Subsidiary	Rajputana Developers Limited (RDL)	Super Investment (India) Limited(subsidiary of RDL)
2	The date since when subsidiary was acquired	21.01.2016	06.06.2016
3	Reporting period for the subsidiary concerned, If different from the Holding Company's reporting period.	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
5	Share Capital	118996073	1066500
6	Reserve & Surplus	40285589	46380542
7	Total Assets	159356013	47589037
8	Total Liabilities	159356013	47589037
9	Investments	133615174	41057711
10	Turnover	15077076	4754218
11	Profit before taxation	14834711	4711444
12	Provision for taxation	360	65407
13	Profit after taxation	14835071	4646037
14	Proposed Dividend	-	
15	% of Shareholding	81.88%	88.61% (through Rajputana Developers Limited)

### Part "B": Associates \*

(Amount in Rs.)

Sl.No	Particulars	Details
1	Name of Associate	H M A Udyog Private Limited
2	Latest Audited Balance Sheet Date	31.03.2019
3	Date on which the Associate was associated or acquired	28.02.2014
4	Shares of Associate held by the company on the year end	
i	No. of shares	400000 equity shares
ii	Amount of Investment in Associate	10305700



iii	Extent of Holding %	40%
5	Description of how there is significant influence	The Company holds more than 20% of voting power in the associate
6	Reason why the associate is not consolidated	Not Applicable
7	Net worth attributable to shareholding as per latest audited Balance Sheet	227468250
8	Profit/Loss for the Year	88134913
i	Profit / (Loss) Considered in Consolidation (for the year)	35253965
ii	Profit / (Loss) not considered in Consolidation	52880948

**\*There is no Joint Venture of the Company**

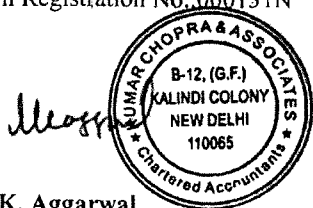
**Notes on Part A and B.**

1. There are no subsidiaries/associates/joint ventures which are yet to commence operations.
2. There are no subsidiaries/associates/joint ventures which have been liquidated or sold during the year.

**For Kumar Chopra & Associates  
Directors**

**For and on behalf of the Board of**

Chartered Accountants  
Firm Registration No.:000131N -



*R. K. Aggarwal*  
R. K. Aggarwal  
Partner  
Membership No.81510

*Balbir Singh*  
Balbir Singh  
Director  
DIN:00 027438

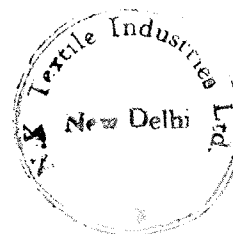
*Sanjay Kumar Gupta*  
Sanjay Kumar Gupta  
Director  
DIN:00027728

Place: New Delhi  
Date: 29.05.2019

*Sheetal Bharti*  
Sheetal Bharti  
Company Secretary

*Surindra Kapoor*  
Surindra Kapoor  
Chief Financial Officer

*Anil Kumar Dua*  
Anil Kumar Dua  
Chief Executive Officer



# N K Textile Industries Limited

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025

CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)

Annual Return Extracts in MGT-9

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

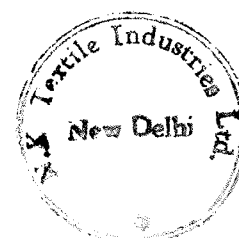
## I. REGISTRATION AND OTHER DETAILS:

1	CIN	L17299DL1983PLC163230
2	Registration Date	09.02.1983
3	Name of the Company	N.K Textile Industries Limited
4	Category/Sub-Category of the Company	Company Limited by shares (Indian Non- Government Company)
5	Address of the Registered office and contact details	Omaxe Square, Plot No.14, 5 <sup>th</sup> Floor, Jasola District Centre, Jasola, New Delhi-110025  Contact Details. 011-61119313
6	Whether listed Company	Yes
7	Name, Address and contact details of Registrar and Transfer Agent, if any	MAS Services Limited Address:T-34, 2 <sup>nd</sup> Floor, Okhla Phase-II Delhi-110020 Email Id:info@masserv.com Tel:011-26387281,82,83

## 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	Interest received from Bank	66190	100%



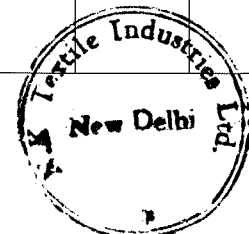
**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Rajputana Developers Limited	U45400DL2008PLC172433	Subsidiary Company	N.K.Textile Industries Limited holds 81.88 % Equity Shares of Rajputana Developers Limited	Section 2(87) of Companies Act, 2013
2	Super Investment (India) Limited	U74899DL1979PLC010095	Subsidiary Company	Rajputana Developers Limited holds 88.61% Equity Shares of Super Investment (India) Limited	Section 2(87) of Companies Act, 2013
3	H.M.A Udyog Private Limited	U36999DL1981PTC011548	Associate Company	N.K.Textile Industries Limited holds 40% equity shares of HMA Udyog Private Limited	Section 2(6) of Companies Act, 2013

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding as on 31.03.2019**

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-



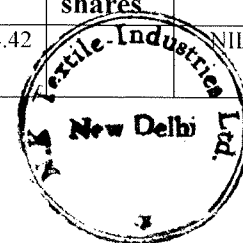
d) Bodies Corp.	623012	-	623012	74.19	623012	-	623012	74.19	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other (Trusts)	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>623012</b>	<b>-</b>	<b>623012</b>	<b>74.19</b>	<b>623012</b>	<b>-</b>	<b>623012</b>	<b>74.19</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>623012</b>	<b>-</b>	<b>623012</b>	<b>74.19</b>	<b>623012</b>	<b>-</b>	<b>623012</b>	<b>74.19</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non- Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	117900	98820	216720	25.80	216720	-	216720	25.80	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-



i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	100	100	0.01	-	100	100	0.01	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
Other Directors and relatives	-	-	-	-	-	-	-	-	-
Non-Resident Individuals	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	<b>117900</b>	<b>98920</b>	<b>216820</b>	<b>25.81</b>	<b>216720</b>	<b>100</b>	<b>216820</b>	<b>25.81</b>	<b>-</b>
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>740912</b>	<b>98920</b>	<b>839832</b>	<b>100</b>	<b>740912</b>	<b>98920</b>	<b>839832</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters as on 31.03.2019

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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 Pledge d / encumbered to total shares	% of change during the year
1.	K.K Modi Investment and	373012	44.42	-	373012	44.42	-	NIL



	Financial Services Private Limited							
2	H M A Udyog Private Limited	250000	29.77	-	250000	29.77	-	NIL
	<b>Total</b>	623012	74.19	-	623012	74.19	-	NIL

**(iii) Change in Promoters' Shareholding (Please specify if there is no change):**

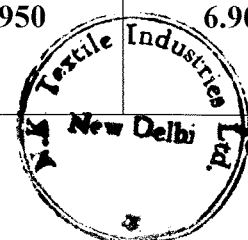
**There is no change\***

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	<b>623012</b>	<b>74.19</b>	<b>623012</b>	<b>74.19</b>
	Date wise Increase / (Decrease) in Shareholding during the year and reasons	-	-	-	-
	<b>At the End of the year</b>	<b>623012</b>	<b>74.19</b>	<b>623012</b>	<b>74.19</b>

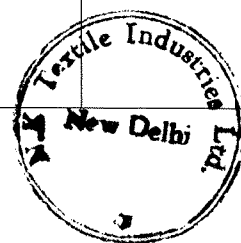
\* There is no change in the shareholding of promoters between April 1, 2018 to March 31, 2019.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2019**

Sl. No	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Trend Agencies Private Limited</b>	<b>57950</b>	<b>6.90</b>	<b>57950</b>	<b>6.90</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>57950</b>	<b>6.90</b>	<b>57950</b>	<b>6.90</b>



<b>2</b>	<b>Azure Products Private Limited</b>	<b>98720</b>	<b>11.75</b>	<b>98720</b>	<b>11.75</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>98720</b>	<b>11.75</b>	<b>98720</b>	<b>11.75</b>
<b>3</b>	<b>Narayan Sales Private Limited</b>	<b>60050</b>	<b>7.15</b>	<b>60050</b>	<b>7.15</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc)	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>60050</b>	<b>7.15</b>	<b>60050</b>	<b>7.15</b>
<b>4</b>	<b>Mr. Anil Buddhiraja</b>	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
<b>5</b>	<b>Ms. Babita Gupta</b>	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
<b>6</b>	<b>Mr. Vinay Sharma</b>	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g	<b>Nil movement during the year</b>	-	-	-



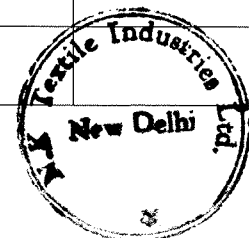


	allotment/transfer/bonus/swe at equity etc):				
	At the End of the year (or on date of separation, if separated during the year)	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
<b>7</b>	<b>Mr. Rakesh Gupta</b>	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
<b>8</b>	<b>Ms. Alisha Chopra</b>	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>4</b>	<b>0.00</b>	<b>4</b>	<b>0.00</b>
<b>9</b>	<b>Mrs. Ashu Rawat</b>	<b>3</b>	<b>0.00</b>	<b>3</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>3</b>	<b>0.00</b>	<b>3</b>	<b>0.00</b>
<b>10</b>	<b>Mrs Manisha Kambo</b>	<b>3</b>	<b>0.00</b>	<b>3</b>	<b>0.00</b>
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	<b>Nil movement during the year</b>	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	<b>3</b>	<b>0.00</b>	<b>3</b>	<b>0.00</b>

(v) Shareholding of Directors and Key Managerial Personnel as on 31.03.2019



Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A</b>	<b>At the beginning of the Year</b>				
<b>1</b>	<b>Mr. Balbir Singh (DIN:00027438)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
<b>2</b>	<b>Mr. Sanjay Kumar Gupta (DIN:00027728)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
<b>3</b>	<b>Sunil Aggarwal (DIN: 00029286)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
<b>4</b>	<b>Beenu Agarwal (DIN: 00056062)</b>	-	-	-	-
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
<b>B</b>	<b>Key Managerial Personnel (KMP)</b>				
<b>1</b>	<b>Mr. Anil Kumar Dua (Chief Executive Officer)</b>	-	-	-	-
	Datewise Increase/Decrease in Promoters Shareholding	-	-	-	-

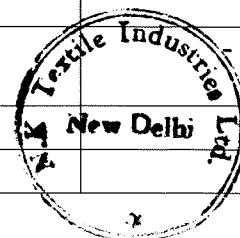


	during the year specifying the reasons for increase/decrease(e.g allotment/transfer/bonus/swe at equity etc):				
	At the End of the year	-	-	-	-
<b>2</b>	<b>Mr. Surindra Kapoor (Chief Financial Officer)</b>	-	-	-	-
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
<b>3</b>	<b>Ms. Sheetal Bharti (Company Secretary)</b>	-	-	-	-
	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year</b>			
i) Principal Amount	-	-	-
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			
<b>Change in indebtedness during the Financial year</b>	-	-	-
• Addition			
• (Reduction)			
<b>Indebtedness at the end of the Financial year</b>	-	-	
i) Principal Amount			
ii) Interest due but not paid			



iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(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	-	-
5.	Others- Provident Fund	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-

### B. Remuneration to other directors:

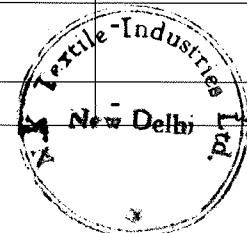
Sl. No	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NIL	-
	• Fee for attending board / committee meetings		
	• Commission		
	• Others		
	<b>Total (1)</b>		
2.	Other Non-Executive Directors	-	-
	• Fee for attending board / committee meetings		
	• Commission		
	• Others		
	<b>Total (2)</b>		
	<b>Total (B)= (1+2)</b>		



Total Managerial Remuneration	-			-
Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl. No.	Particulars of Remuneration of Key Managerial Personnel	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total
		Mr. Anil Kumar Dua	Mr. Surindra Kapoor	Ms. Sheetal Bharti (appointed w.e.f 20 <sup>th</sup> September, 2017)	
<b>1.</b>	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,80,000	1,08,000	<b>288000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	-		<b>0</b>
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		-
<b>2.</b>	Stock Option	-	-		-
<b>3.</b>	Sweat Equity	-	-		-
<b>4.</b>	Commission	-	-		-
	- as % of profit	-	-		-
	- others	-	-		-



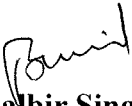
5.	Others	-	-	-	-
	TOTAL	0	1,80,000	108000	288000

IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Brief Description	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
<b>C.OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Respectfully submitted on behalf of the Board

Place: New Delhi  
Dated: 29.05.2019

  
(Balbir Singh)  
Director  
(DIN-00027438)

  
(Sanjay Kumar Gupta)  
Director  
(DIN-00027728)





Form No. MR-3

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members  
**M/s N K TEXTILE INDUSTRIES LTD**  
Omaxe Square, Plot No. 14, 5th Floor Jasola District Centre,  
Jasola, New Delhi-110025 India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s N K TEXTILE INDUSTRIES LTD** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

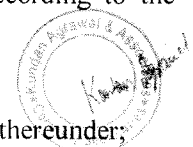
We report that:

- a) 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.
- b) 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 the financial records and Books of the Company.
- c) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 ('Audit 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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 India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Indian Stamp Act, 1899;
- (vii) Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;
- (ix) Central Excise and Service Tax Act;
- (x) Central and State Sale Tax/Value Added Tax Laws;
- (xi) Applicable Labour Laws; and
- (xii) Other applicable Laws;

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors and Internal Auditors of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements with Stock Exchanges in India.





During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally 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.
- According to RBI Notification, NBFCs are required to maintain Net Owned funds (NoF) which is INR 200 Lakhs, against which the NOF of the Company was below the prescribed limit as on 31.03.2019. As per discussion and Management representation, the Company is in process of raising the Net Owned funds (NOF) to the limits as prescribed by the Reserve Bank of India (RBI).
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. But further adherence to the rules and provisions of the act for drafting of minutes will be appreciated.

We further report that based on the information received and records maintained 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.

**Place: Delhi**  
**Date: 29/05/2019**

**For Kundan Agrawal & Associates  
Company Secretaries**



**Kundan Agrawal  
Company Secretary  
Membership No. 7631  
C.P. No. 8325**

# N K Textile Industries Limited

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre  
Jasola, New Delhi-110025

CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)

Annexure 'D'

## STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year  
No remuneration was paid to the Directors of the Company during the Financial Year 2018-19

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

Name of Key Managerial Personnel	Remuneration paid during Financial Year 2018-19	% increase in remuneration in the Financial Year 2018-19
Mr. Anil Kumar Dua, Chief Executive officer	0	NIL
Mr. Surindra Kapoor, Chief Financial Officer	180000	NIL
Ms. Sheetal Bharti (appointed w.e.f 20 <sup>th</sup> September, 2017)	108000	NIL

- (iii) The percentage increase in the median remuneration of employees in the financial year  
During the year under review, there is no increase in the remuneration paid. Hence, this clause is not applicable.

- (iv) The number of permanent employees on the rolls of Company  
The number of permanent employee on the roll of the Company is three (03)

- (v) Average percentile increase 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.

During the year under review, there is no increase in the remuneration paid. Hence, this clause is not applicable.

- (vi) The key parameters for any variable component of remuneration availed by the directors

Not applicable as no remuneration was paid to the Directors.

- (vii) Affirmation that the remuneration is as per the remuneration policy of the company


Yes

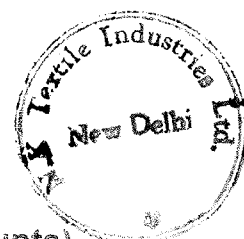
Respectfully submitted on behalf of the Board

Place: New Delhi

Dated: 29.05.2019

  
(Balbir Singh )  
Director  
(DIN-00027438)

  
(Sanjay Kumar Gupta)  
Director  
(DIN-00027728)



## INDEPENDENT AUDITOR'S REPORT

To the Members of N K TEXTILE INDUSTRIES LIMITED

### Report on the Audit of the Standalone financial statements

#### 1. Opinion

We have audited the standalone financial statements of N K TEXTILE INDUSTRIES LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit, and its cash flows for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone financial statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3. Information other than the standalone financial statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including its Annexure and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed

we conclude that there is the material misstatement of this other information, we are required to report that fact. WE have nothing to report in this regard.

#### **4. Responsibility of Management for Standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

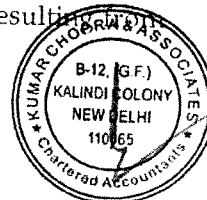
Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **5. Auditor's Responsibilities for the Audit of the 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 judgment and maintain professional skepticism throughout the audit. We also:

- i. 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.



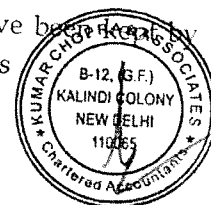
- error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) 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.
  - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv. 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.
  - v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### 6. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. As required by Section 143(3) of the Act, we report that:

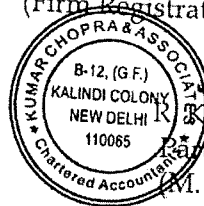
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been maintained by the Company so far as it appears from our examination of those books



- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Kumar Chopra & Associates  
Chartered Accountants

(Firm Registration Number: 000131N)



*[Signature]*  
Aggarwal  
Partner  
(M. No 81510)

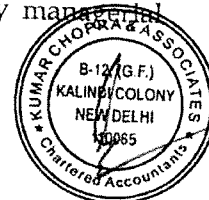
Place of signature: New Delhi

Date: 29.05.2019

ANNEXURE " A " TO INDEPENDENT AUDITOR'S REPORT

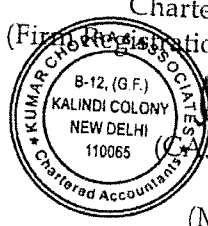
Annexure to the Independent Auditors' Report referred to in paragraph 6(I) of our report of even date on the standalone financial statements of N K TEXTILE INDUSTRIES LIMITED for the Year ended 31st March, 2019

1. a) The company does not have any fixed assets, thus paragraph 3(i) of the Order is not applicable.
2. The company does not have any inventories, thus paragraph 3(ii) of the Order is not applicable.
3. According to the information and explanations given to us, the company has not granted loans, to another body corporate covered in the register maintained under section 189 of the Companies Act, 2013 during the year.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of Act, with respect to investments made. Section 185 is not applicable as no loan/guarantee/security is given/provided
5. According to the information and explanation given to us, the company has not accepted any deposit during the year from the public
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the act for any of the products/services of the company.
7. 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 the respect of undisputed statutory dues including income tax, service tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. According to the information and explanation given to us, no undisputed amount payable in respect of any statutory dues were outstanding as at year end for a period of more than six months from the date they become payable.  
b) According to the information and explanation given to us, there are no dues of income tax or service tax which have not been deposited on account of any dispute.
8. The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans.
10. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of audit.
11. According to the information and explanation given to us, and based on our examination of records of the company, the company has not paid/provided for any managerial remuneration.



12. The Company is not a Nidhi Company and hence Paragraph (xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, there were no transactions with related parties as per section 177 and 188 of the Act.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The company has not entered into any non-cash transaction with the directors or persons connected with him under the provisions of section 192 of companies Act, 2013.
16. In our opinion and as per the information and explanation given to us, the company is already registered under section 45-IA of RBI Act, 1934 vide registration no. B-14.03304 dated 08.07.2014.

Place of Signature: New Delhi  
Date: 29.05.2019

For Kumar Chopra & Associates  
Chartered Accountants  
(Firm Registration No.: 000131N)  
  
R.K. Aggarwal  
Partner  
(M.No. 81510)



ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

Annexure to the Independent Auditors' Report of even date on the standalone financial statements of **N K TEXTILE INDUSTRIES LIMITED** for the Year ended 31st March, 2019

Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **N K TEXTILE INDUSTRIES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

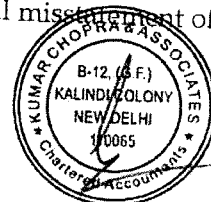
*Management's Responsibility for Internal Financial Controls*

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 Companies Act, 2013.

*Auditors' Responsibility*

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial 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 about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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.

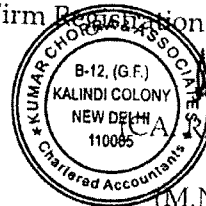
*Inherent Limitations of Internal Financial Controls Over Financial Reporting*

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 Kumar Chopra & Associates  
Chartered Accountants  
(Firm Registration No.:000131N)



*M. Aggarwal*  
K. Aggarwal  
Partner  
(M.No. 81510)

Place of Signature: New Delhi  
Date: 29.05.2019

**N K TEXTILE INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

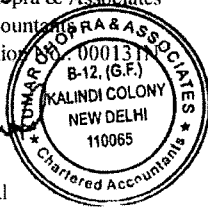
	Note	As at 31.03.2019 (Rupees)	As at 31.03.2018 (Rupees)
<b>A EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share capital	2	8,398,320	8,398,320
(b) Reserves and surplus	3	<u>21,817,936</u>	<u>21,808,961</u>
		<u>30,216,256</u>	<u>30,207,281</u>
<b>2 CURRENT LIABILITIES</b>			
Other current liabilities	4	112,228	97,466
		<u>30,328,484</u>	<u>30,304,747</u>
<b>B ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
Non-current investments	5	20,118,635	20,118,635
<b>2 CURRENT ASSETS</b>			
Cash and cash equivalents	6	9,790,249	9,838,340
Other current assets	7	<u>419,600</u>	<u>347,772</u>
		<u>10,209,849</u>	<u>10,186,112</u>
		<u>30,328,484</u>	<u>30,304,747</u>
See accompanying notes forming part of the financial statements	1-11		

In terms of our report attached  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 0001311

*R.K. Aggarwal*

R.K. Aggarwal  
Partner  
Membership No.81510

Place : New Delhi  
Dated : 29.05.2019



For and on behalf of the Board of Directors

*Balbir Singh*  
Balbir Singh  
Director  
DIN No. 00027438

*Sheetal Bharti*  
Sheetal Bharti  
Company Secretary

*Anil Kumar Dua*  
Anil Kumar Dua  
Chief Executive officer

*Sanjay Kumar Gupta*  
Sanjay Kumar Gupta  
Director  
DIN No. 00027728

*Surindra Kapoor*  
Surindra Kapoor  
Chief Financial Officer

**N K TEXTILE INDUSTRIES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019**

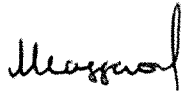
	Note	As at 31.03.2019 (Rupees)	As at 31.03.2018 (Rupees)
<b>I. INCOME:</b>			
Revenue from operations	8	664,674	735,144
Total revenue		664,674	735,144
<b>II. EXPENSES</b>			
Employee benefit expenses	9	288,000	435,065
Other expenses	10	365,561	311,578
<b>TOTAL EXPENSES</b>		<b>653,561</b>	<b>746,643</b>
<b>III. Profit/(Loss) before tax and prudential provision</b>		<b>11,113</b>	<b>(11,499)</b>
<b>IV. Tax expense and prudential provision:</b>			
Less: Provision agst Standard assets/(written back)		-	(18,754)
Less: Current Tax/Mat		2,138	-
<b>V. Profit/Loss after Tax</b>		<b>8,975</b>	<b>7,255</b>
Earnings per Equity Share			
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01

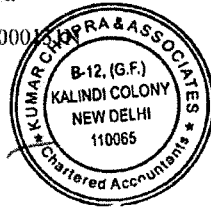
See accompanying notes forming part of the financial statements

1-11

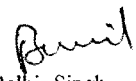
In terms of our report attached


For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000124

  
R.K. Aggarwal  
Partner  
Membership No.81510

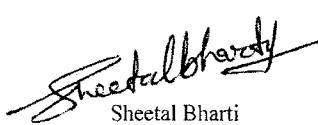


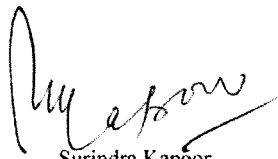
For and on behalf of the Board of Directors

  
Balbir Singh  
Director  
DIN No. 00027438

  
Sanjay Kumar Gupta  
Director  
DIN No. 00027728

Place : New Delhi  
Dated : 29.05.2019

  
Sheetal Bharti  
Company Secretary

  
Surindra Kapoor  
Chief Financial Officer

  
Anil Kumar Dua  
Chief Executive officer

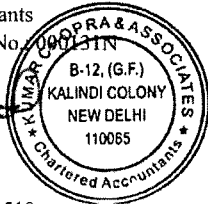
**N K TEXTILE INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2019**

	Year ended 31.03.2019 (Rupees)	Year ended 31 03 2018 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITES</b>		
Net profit / (loss) before taxation, and extraordinary items	11,113	(11,499)
Adjustments for:		
Provision written off		
Interest income	(664,674)	(735,144)
<b>Operating Profit before working capital change</b>	<b>(653,561)</b>	<b>(746,643)</b>
Adjustments for change in:		
Increase / (Decrease) in current liabilities	14,762	29,321
Direct Tax paid	(66,467)	(73,515)
<b>Net Cash flow from Operating Activities</b>	<b>(705,266)</b>	<b>(790,837)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Loan receive backed	-	7,500,000
Interest received	657,176	571,545
<b>Net Cash used in Investing Activities</b>	<b>657,176</b>	<b>8,071,545</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	-	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(48,091)</b>	<b>7,280,709</b>
Cash and cash equivalents at the beginning of the year	9,838,340	2,577,631
Cash and cash equivalents at the end of the year	9,790,249	9,838,340
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>	<b>(48,091)</b>	<b>7,280,709</b>

In terms of our report attached

For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

R.K. Aggarwal  
Partner  
Membership No.81510



For and on behalf of the Board of Directors

Balbir Singh  
Director  
DIN No. 00027438

Sanjay Kumar Gupta  
Director  
DIN No. 00027728

Place : New Delhi  
Dated : 29.5.2019

Sheetal Bharti  
Company Secretary

Surindra Kapoor  
Chief Financial Officer

Anil Kumar Dua  
Chief Executive officer

**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FY 2018-19**

**Note 1 Significant Accounting Policies**

**1) Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2) Use of estimates**

The preparation of financial statements requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised.

**3) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents highly liquid funds and are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**4) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**5) Revenue recognition**

All Income and Expenses are accounted on mercantile basis. Receipts on account of Professional fees are recognized at the point of raising the invoice to the customers and are exclusive of service tax where applicable. Income from bank deposits is recognized on an accrual basis.

**6) Other income**

Income from investments and interest income is accounted for on accrual basis. Dividend income is accounted for when the right to receive it is established.

**7) Investment**

Investment are primarily meant to be held over long period and such are valued at cost unless there is permanent diminution in value in which case required depreciation is provided for.



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FY 2018-19**

**8) Provisions and contingent liabilities**

Provisions involving substantial degree of estimation in measurement are recognized when there is a permanent obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes.

**9) Earnings per share**

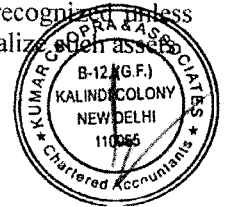
Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

**10) Taxes on income**

Provision for current tax for the period is based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences between taxable income and accounting income and is measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty that there will be sufficient future taxable income available to realize them.



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**2. Share Capital**

	As at 31 March 2019		As at 31 March 2018	
	Number of Shares	(Rupees)	Number of Shares	(Rupees)
<b>Authorised</b>				
Equity Shares of Rs. 10/- each with voting rights	1,000,000	10,000,000	1,000,000	10,000,000
Preference Shares of Rs. 10/- each	500,000	5,000,000	500,000	5,000,000
<b>Issued, subscribed &amp; paid up capital</b>				
Equity Shares of Rs. 10/- each with voting rights	839,832	8,398,320	839,832	8,398,320

2.1 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Equity shares	
	Numbers	Amount
<b>Shares outstanding at the beginning of the year</b>	839,832	8,398,320
Subscription money received during the year	-	-
<b>Shares outstanding at the end of the year</b>	839,832	8,398,320

2.2 Disclosure pursuant to Note No. 6(A)(g) of Part I of Schedule III of the Companies Act, 2013 (Holding 5% of share Capital)

Name of share holder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
K.K.Modi Investment & Financial Services Pvt Ltd	373,012	44.42	373,012	44.42
HMA Udyog Private Limited*	250,000	29.77	250,000	29.77
Azure Prodcots Private Limited	98,720	11.75	98,720	11.75
Narayan Sales Private Limited	60,050	7.15	60,050	7.15
Trend Agencies Private Limited	57,950	6.90	57,950	6.90

\* Associate Company





**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

	As at 31 March, 2019 (Rupees)	As at 31 March, 2018 (Rupees)
<b>Note 3. Reserves and surplus</b>		
<b>General Reserve</b>		
Opening Balance	23,971,347	23,971,347
	<u>23,971,347</u>	<u>23,971,347</u>
<b>Statutory reserve fund*</b>		
Opening Balance	35,065	35,065
	<u>35,065</u>	<u>35,065</u>
<b>Surplus</b>		
Opening balance	(2,197,451)	(2,204,706)
(+) Net Profit/(Net Loss) For the current year	8,975	7,255
(-) Transfer to Statutory reserve fund	-	-
	<u>(2,188,476)</u>	<u>(2,197,451)</u>
	<u>21,817,936</u>	<u>21,808,961</u>

\* Statutory reserve created under section 45-IC of the Reserve Bank of India Act, 1934

**Note 4. Other current liabilities**

Statutory Dues	5,400	4,120
Audit Fees Payable	32,400	15,000
Expenses payable	22,260	20,600
Internal audit Fees Payable	8,400	5,750
Sec. Audit Fees Payable	17,700	7,500
Sundry Creditors	26,068	44,496
	<u>112,228</u>	<u>97,466</u>



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

	As at 31 March, 2019 (Rupees)	As at 31 March, 2018 (Rupees)
<b>Note 5. Non-current investments</b>		
<b>Other Investments</b>		
Investment in Equity instruments	20,118,635	20,118,635
	20,118,635	20,118,635
Aggregate amount of unquoted investments - Equity shares	20,118,635	20,118,635
	20,118,635	20,118,635

**Details of Other Non-Current Investments:**

Sr. No.	Name of the Body Corporate	Face value per share	No. of Share / Unit		(Amount in Rs.)	
			As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
(a)	<b>Investment in Equity Instruments - Unquoted, fully paid up</b>					
	HMA Udyog Private Limited, (holding 40%, Associate company)	10	400,000	400,000	10,305,700	10,305,700
	International Research Park Lab Ltd,(holding 15%)	10	37,500	37,500	2,255,625	2,255,625
	K.K.Modi Investment and Financial Services Pvt. Ltd., (holding 3.17%)	10	37,819	37,819	3,056,060	3,056,060
	Rajputana Developers Limited, (holding 81.88%, subsidiary company)	1	4500000	4500000	4,501,250	4,501,250
	<b>Sub total (a)</b>				<b>20,118,635</b>	<b>20,118,635</b>
	<b>Total</b>				<b>20,118,635</b>	<b>20,118,635</b>



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

	Year Ended 31 March, 2019 (Rupees)	Year Ended 31 March, 2018 (Rupees)
<b>Note 6. Cash and Cash equivalents</b>		
Balances with banks:		
In current accounts (book overdraft)	5,566	(27,283)
In Fixed deposit	9,784,683	9,865,623
	<u>9,790,249</u>	<u>9,838,340</u>

**Note 7. Other current assets**

Interest receivable	203,955	196,456
Tax receivable (net of provision)	215,645	151,316
	<u>419,600</u>	<u>347,772</u>

**Note 8. Revenue from operations**

Interest from bank	664,674	361,377
Interest from other	-	373,767
	<u>664,674</u>	<u>735,144</u>

**Note 9. Employee benefit expenses**

Salary	<u>288,000</u>	<u>435,065</u>
--------	----------------	----------------

**Note 10. Other expenses**

Advertisement	31,318	32,448
Auditors Remuneration Fees	69,642	15,000
Internal Audit Fees	11,050	8,400
Secretarial Audit fees	27,900	7,500
Dematerialisation Fees	12,390	12,075
Filing fees	3,600	8,100
Edp Charges	4,244	-
Listing Fees	92,505	28,750
Professional Fees	58,912	121,987
Miscellaneous Expenses	54,000	36,835
Subscription Fees	-	40,250
Bank charges	-	233
	<u>365,561</u>	<u>311,578</u>

**10.1 Audtors Remuneration**

Audit Fee	55,482	15,000
Certification fee	14,160	12,000
	<u>69,642</u>	<u>27,000</u>



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FY 2018-19**

**Note 11:**

**(A) Related party disclosure under Accounting Standard 18:**

- i. Subsidiary Company  
Rajputana Developers Limited
- ii. Subsidiary of Subsidiary Company  
Super Investment (India) Limited
- iii. Associate Company  
H.M.A. Udyog Pvt. Ltd
- iv. Key Management Personnel:
  - Mr. Sunil Agarwal, Director
  - Mr. Balbir Singh, Director
  - Mrs. Beenu Agarwal, Director
  - Mr. Sanjay Kumar Gupta, Director
  - Mr. Anil Kumar Dua, Chief Executive Officer
  - Mr. Surindra Kapoor, Chief Financial Officer
  - Ms. Sheetal Bharti, Company Secretary
- v. Enterprises over which key management personnel and their relatives are able to exercise significant influence and with whom transactions have been done during the year under review:  
NONE

**(B) Earnings per share as per Account Standards (AS-20) has been computed as under:**

	<b>For the year ended 31.03.2019</b>	<b>For the year ended 31.03.2018</b>
(a) Net profit / (loss) as per profit and loss statement (Rupees)	8975	7255
(b) Weighted average number of Equity shares	8,39,832	8,39,832
(c) Basic and diluted earnings per share- (Face value of share Rs. 10 each)	0.01	0.01

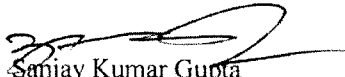
**(C) The details of assets and liabilities in terms of Para 18 of 'Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016' are given as per 'Annexure'**




**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FY 2018-19**

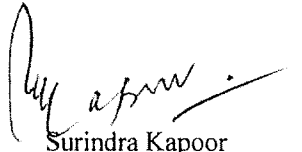
(d) The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.


For and on behalf of the Board of Directors

  
Sanjay Kumar Gupta  
Director  
DIN. 00027728


  
Balbir Singh  
Director  
DIN. 00027438

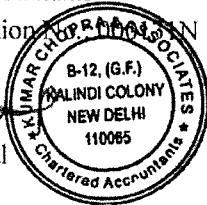
  
Sheetal Bharti  
Company Secretary

  
Surindra Kapoor  
Chief Financial Officer

  
Anil Kumar Dua  
Chief Executive officer

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 110085

  
R.K. Aggarwal  
Partner  
Membership No.81510

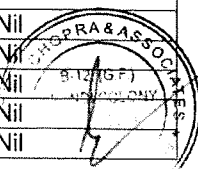


Place: New Delhi  
Date: 29-05-2019

**N K TEXTILE INDUSTRIES LIMITED**

Schedule to the Balance Sheet as on 31<sup>st</sup> March 2019 of a non-deposit taking Non-Banking Financial Company (as required in terms of Para 18 of 'Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016')

Particulars		(Rs. in lakh)	
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>	Amount out-standing	Amount overdue
	a) Debentures : Secured	--	--
	: Unsecured	--	--
	(other than falling within the meaning of public deposits*)		
	b) Deferred Credits	--	--
	c) Term Loans	--	--
	d) Inter-corporate loans and borrowing	--	--
	e) Commercial Paper	--	--
	f) Public Deposits*		
	g) Other Loans (specify nature)	--	--
	* Please see Note 1 below		
	Total	--	--
(2)	<b>Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the Form of Unsecured debentures		
	(b) In the form of partly secured debentures i.e, debentures where there is a shortfall in the value of security		
	(c) Other public deposits		
	*Please see Note 1 below		
<b>Asset Side:</b>		<b>Amount outstanding</b>	
(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
	a) Secured		Nil
	b) Unsecured		Nil
(4)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	i) Lease assets including lease rentals under sundry debtors :		
	a) Financial lease		Nil
	b) Operating lease		Nil
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire		Nil
	b) Repossessed Assets		Nil
	iii) Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed		Nil
	b) Loans other than (a) above		Nil
	Total		Nil
(5)	<b>Break-up of Investments :</b>		
<b>Current Investments :</b>			
1.	<b>Quoted :</b>		
	i) Shares :	a) Equity	Nil
		b) Preference	Nil
	ii) Debentures and Bonds		Nil
	iii) Units of Mutual Funds		Nil
	iv) Government Securities		Nil



	v)	Others (please specify)		Nil
2.	Unquoted :			
	i)	Shares :	a) Equity	Nil
			b) Preference	Nil
	ii)	Debentures and Bonds		Nil
	iii)	Units of mutual funds		Nil
	iv)	Government Securities		Nil
	v)	Others (please specify)		Nil
Long Term Investments :				
1.	Quoted :			
	i)	Shares :	a) Equity	Nil
			b) Preference	Nil
	ii)	Debentures and Bonds		Nil
	iii)	Units of mutual funds		Nil
	iv)	Government Securities		Nil
	v)	Others (please specify)		Nil
2.	Unquoted :			
	i)	Shares :	a) Equity	201.19
			b) Preference	-
	ii)	Debentures and Bonds		Nil
	iii)	Units of mutual funds		Nil
	iv)	Government Securities		Nil
	v)	Others (please specify)		Nil
			Total	201.19

(6) Borrower group-wise classification of assets financed as in (3) and (4) above :

Please see Note 2 below

Category		Amount net of provisions		
		Secured	Unsecured	Total
1.	Related Parties **			
a)	Subsidiaries	Nil	Nil	Nil
b)	Companies in the same group	Nil	Nil	Nil
c)	Other related parties	Nil	Nil	Nil
2.	Other than related parties	Nil	Nil	Nil
	Total	Nil	Nil	Nil

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

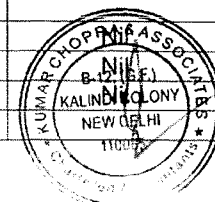
Please see Note 3 below

Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties **		
a)	Subsidiaries	1182.68	45.01
b)	Companies in the same group (Holding and Fellow subsidiaries)	436.38	53.12
c)	Other related parties- Associates	1922.06	103.06
2.	Other than related parties	Nil	Nil
	Total	3541.12	201.19

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(8) Other information

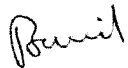
Particulars		Amount
i)	Gross Non-Performing Assets	
a)	Related parties	Nil
b)	Other than related parties	Nil
ii)	Net Non-Performing Assets	
a)	Related parties	
b)	Other than related parties	
iii)	Assets acquired in satisfaction of debt	
Notes:		

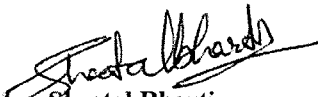


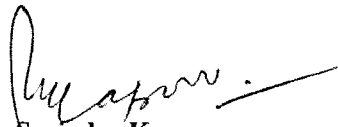
1	As defined in point xix of paragraph 3 of chapter-2 of these directions.	
2	Provisioning norms shall be applicable as prescribed in these Directions.	
3	All Accounting Standards and Guidance Notes by ICAI are applicable including for valuation of investment and other asset as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.	

**For and on behalf of the Board of Directors**

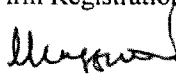
  
**Sanjay Kumar Gupta**  
 Director  
 DIN. 00027728

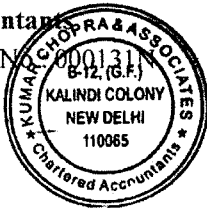
  
**Balbir Singh**  
 Director  
 DIN. 00027438

  
**Sheetal Bharti**  
 Company Secretary

  
**Surindra Kapoor**  
 Chief Financial Officer

  
**Anil Kumar Dua**  
 Chief Executive officer

As per our report of even date  
 For Kumar Chopra & Associates  
 Chartered Accountants  
 Firm Registration No. 000131  
 B-12, (G.F.)  
 KALINDI COLONY  
 NEW DELHI  
 110085  
  
**R.K. Aggarwal**  
 Partner  
 Membership No.81510



Place: New Delhi  
 Date: 29-05-2019



## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF N K TEXTILES INDUSTRIES LIMITED

### 1. Opinion

We have audited the accompanying **Consolidated financial statements** of N K Textiles Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the holding Company and its subsidiary together referred to as "the group") and its associate (Refer Note No 15 of the attached consolidated financial statements) comprising of the Consolidated Balance sheet as at 31<sup>st</sup> March, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information( hereinafter referred to as "the Consolidated financial statements").

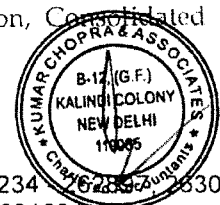
In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements/consolidated financial statements and on the other financial information of the subsidiary and associate referred below in other matter paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including accounting standards specified under Section 133 of the Act, of the consolidated state of affairs of the Group and its associate as at 31<sup>st</sup> March 2019; and their consolidated profit and their consolidated cash flows for the year ended on that date.

### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statement in terms of requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated



financial performance and Consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

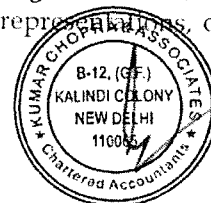
The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

#### 4. Auditor's Responsibility

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 judgment and maintain professional skepticism 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, misrepresentation, or the override of internal control.



- Obtain an understanding of internal financial controls 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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors

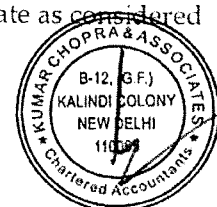
Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

#### 5. Other Matter

We did not audit the financial statements/consolidated financial statements/financial information of one subsidiary, whose financial statements/ financial information reflect net assets of Rs.1646.69 lakhs as at 31st March, 2019, total revenue of Rs. 198.31 lakhs and net cash flows amounting to Rs.36.49 lakhs for the year ended on that date as considered

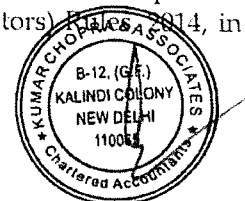


in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 352.53 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of such other auditors. Our opinion on the consolidated financial statements, and our report on the legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

#### 6. Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept so far as it appears from our examination of those books and the reports to other auditors.
- c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and consolidated Cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. 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.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and on the basis of the reports of the statutory auditors of its subsidiary company and its associate incorporated in India, none of the directors of the subsidiary company and its associate incorporated in India is disqualified as on 31<sup>st</sup> March, 2019 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 holding company and subsidiary company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". The auditor of associate has reported that, in pursuant to notification no. G.S.R 583(E) dated 13.06.2017 issued by Ministry of Corporate Affairs, internal financial controls over financial reporting under section 143 (3)(i) is not applicable on associate.
- g. 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

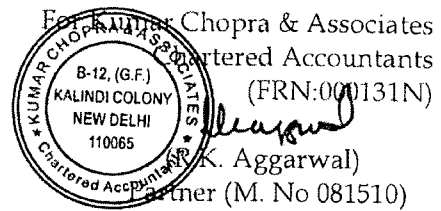


Kumar Chopra & Associates  
Chartered Accountants

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

- i. The group and its associate does not have pending litigations hence, there is no impact on the consolidated financial position.
- ii. The group and its associate does not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate.

Place of signature: New Delhi  
Date: 29-05-2019



ANNEXURE " A " TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 6(f) of our report of even date on the consolidated financial statements N K TEXTILES INDUSTRIES LIMITED for the Year ended 31st March, 2019

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

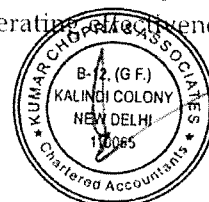
In conjunction with our audit of consolidated financial statements of the N K TEXTILES INDUSTRIES LIMITED ("the Holding Company"), its subsidiary (together referred to as "Group") and associate (Refer Note No 15 of the attached consolidated financial statements) as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary which are companies covered under the Act, as that date. The auditor of associate has reported that, in pursuant to notification no. G.S.R 583(E) dated 13.06.2017 issued by Ministry of Corporate Affairs, internal financial controls over financial reporting under section 143 (3)(i), is not applicable on associate.

*Management's Responsibility for Internal Financial Controls*

The respective Board of Directors of the Holding Company and its one subsidiary is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 Companies Act, 2013.

*Auditors' Responsibility*

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its one subsidiary based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"). 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 about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our



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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in term of their reports referred to in other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Holding Company and its one subsidiary.

*Meaning of Internal Financial Controls over Financial Reporting*

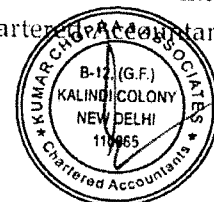
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's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

*Inherent Limitations of Internal Financial Controls over Financial Reporting*

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

*Opinion*

In our opinion, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Group 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.



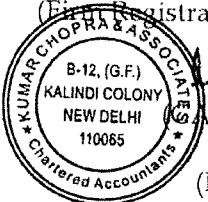
Kumar Chopra & Associates  
Chartered Accountants

*Other Matters*

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

Place of Signature: New Delhi  
Date: 29-05-2019

For Kumar Chopra & Associates  
Chartered Accountants  
(Firm Registration No.:000131N)



*[Handwritten Signature]*  
R.K. Aggarwal)  
Partner  
(M.No 81510)



**N K TEXTILE INDUSTRIES LIMITED**  
Consolidated Balance Sheet as at 31st March 2019

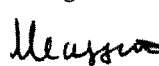
(Amount in Rs.)

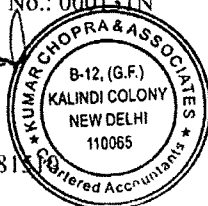
Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	8,398,320	8,398,320
Reserves and surplus	3	399,167,119	347,645,016
Minority interest		13,764,673	10,542,728
<b>Current liabilities</b>			
Other current liabilities	4	328,574	544,447
<b>TOTAL</b>		<b>421,658,686</b>	<b>367,130,511</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill on Consolidation		9,495,356	9,495,356
Deferred tax assets (net)		-	442
Non-current investments	5	339,081,316	303,827,351
<b>Current assets</b>			
Current Investment	6	56241947	40,628,885
Cash and cash equivalents	7	15,516,171	11,914,919
Short term loans and advances	8	637,000	637,000
Other current assets	9	686,896	626,558
Accompanying notes 1 to 19 form part of the Financial Statements			
<b>TOTAL</b>		<b>421,658,686</b>	<b>367,130,511</b>


As per our report of even date attached


For and on behalf of the Board of Directors

**For Kumar Chopra & Associates**  
Chartered Accountants  
Firm Registration No.: 000131N


  
**R.K. Aggarwal**  
Partner  
Membership No. 81540

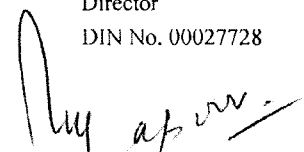


  
**Balbir Singh**  
Director  
DIN No. 00027438

  
**Sanjay Kumar Gupta**  
Director  
DIN No. 00027728

Place : New Delhi  
Dated : 29.05.2019

  
**Sheetal Bharti**  
Company Secretary

  
**Surindra Kapoor**  
Chief Financial Officer

  
**Anil Kumar Dua**  
Chief Executive officer

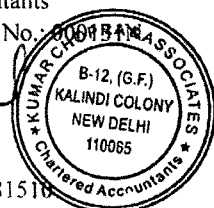
**N K TEXTILE INDUSTRIES LIMITED**  
Consolidated Statement of Profit and loss for the year ended 31st March 2019

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME:</b>			
Revenue from operations	10	20,495,968	22,197,268
<b>Total Revenue</b>		<b>20,495,968</b>	<b>22,197,268</b>
<b>EXPENSES:</b>			
Employee benefit expenses	11	288,000	435,065
Other expenses	12	650,700	569,845
<b>Total Expenses</b>		<b>938,700</b>	<b>1,004,910</b>
<b>Profit / (Loss) before tax</b>		<b>19,557,268</b>	<b>21,192,358</b>
<b>Tax expense:</b>			
Provision against Standard assets		-	(18,754)
Current tax/Mat		104,175	557,856
Deffered tax		-	125
Less: provision for tax relating to prior years provided		(36,990)	6,950
<b>Profit after tax but before result of associates and minority interests</b>		<b>19,490,083</b>	<b>20,646,181</b>
Share of Net profit of associate		35,253,965	22,635,396
<b>Profit after tax but before minority interests</b>		<b>54,744,048</b>	<b>43,281,577</b>
Minority interest for the year		3,221,945	3,389,588
<b>Net Profit / (Loss)</b>		<b>51,522,103</b>	<b>39,891,989</b>
<b>Earnings per Equity Share</b>			
(1) Basic		61.35	47.50
(2) Diluted		61.35	47.50
Accompanying notes 1 to 19 form part of the Financial Statements			

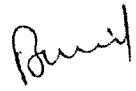
As per our report of even date attached  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000184


  
R.K. Aggarwal  
Partner  
Membership No. 81510

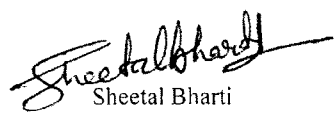


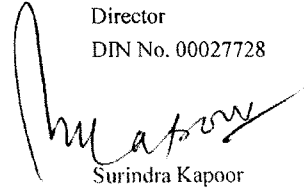
Place : New Delhi  
Dated : 29.05.2019


For and on behalf of the Board of Directors

  
Balbir Singh  
Director  
DIN No. 00027438

  
Sanjay Kumar Gupta  
Director  
DIN No. 00027728

  
Sheetal Bharti  
Company Secretary

  
Surindra Kapoor  
Chief Financial Officer

  
Anil Kumar Dua  
Chief Executive officer

**N K TEXTILE INDUSTRIES LIMITED**  
**Consolidated Cash Flow Statement for the year ended March 31, 2019**

	(Amount in Rs.)	
Particulars	For the year ended 31.03.2019	For the year ended 31.3.2018
<b>A. Cash flow from operating activities</b>		
Net profit / (loss) before taxation, and extraordinary items	19,557,268	21,192,358
Adjustments for:		
Interest income	(726,127)	(1,694,700)
Operating profit before working capital changes	18,831,141	19,497,658
Increase / (Decrease) in Investment	-	(30,600,000)
Decrease / (Increase) loans and advances	-	-
Increase / (Decrease) in current liabilities	(217,063)	(134,934)
Increase / (Decrease) in current Assets	10,868	523,860
Tax receivable, provision, adjusted for earlier years	(11,568)	(1,179)
Cash generated from operations	18,613,378	(10,714,595)
Direct Tax paid	(117,693)	(561,700)
Net cash flow from operating activities	18,495,685	(11,276,295)
<b>B. Cash Flows from investing activities</b>		
Proceeds from issue of share capital	-	-
Loan receive back	-	7,500,000
Interest received	718,629	1,531,101
Purchase of investment	(15,613,062)	(30,032,095)
Proceeds from sale of investments	-	-
Net cash flow from investing activities	3,601,252	(32,277,289)
<b>C. Cash Flows from financing activities</b>		
Net increase / (decrease) in cash and cash equivalents (A + B + C)	3,601,252	(32,277,289)
Cash and cash equivalents at the beginning of the year *	11,914,919	44,192,207
Cash and cash equivalents at the end of the year	15,516,171	11,914,919
<b>Components of cash and cash equivalents:</b>		
Cash and cheques on hand	99,413	74,181
With banks - in current account	15,416,758	11,840,738
	15,516,171	11,914,919

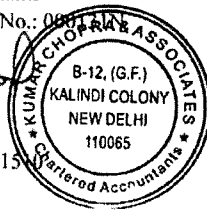
As per our report of even date attached  
**For Kumar Chopra & Associates**  
Chartered Accountants

Firm Registration No.: 008711A

  
**R.K. Aggarwal**

Partner

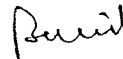
Membership No. 815



Place : New Delhi

Dated : 29.05.2019

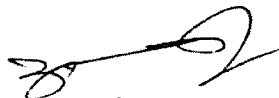
For and on behalf of the Board of Directors



Balbir Singh

Director

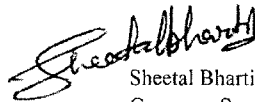
DIN No. 00027438



Sanjay Kumar Gupta

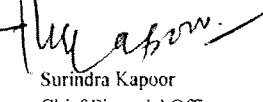
Director

DIN No. 00027728



Sheetal Bharti

Company Secretary



Surindra Kapoor

Chief Financial Officer



Anil Kumar Dua

Chief Executive officer

**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FY 2018-19**

**Note 1 Significant Accounting Policies**

**1) Basis of Accounting**

The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act 1956 (“the 1956 Act”), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

**2) Use of estimates**

The preparation of consolidated financial statements requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results may differ from these estimates. Any revision to the accounting estimates or difference between the estimates and the actual results are recognised in the periods in which the results are known/materialise or the estimates are revised.

**3) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents highly liquid funds and are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**4) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**5) Revenue recognition**

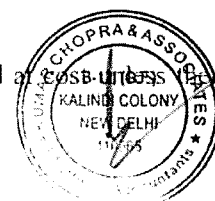
All Income and Expenses are accounted on mercantile basis. Receipts on account of Professional fees are recognized at the point of raising the invoice to the customers and are exclusive of service tax where applicable. Income from bank deposits is recognized on an accrual basis.

**6) Other income**

Income from investments and interest income is accounted for on accrual basis. Dividend income is accounted for when the right to receive it is established.

**7) Investment**

Investment are primarily meant to be held over long period and such are valued at cost unless there is permanent diminution in value in which case required depreciation is provided for.



**8) Provisions and contingent liabilities**

Provisions involving substantial degree of estimation in measurement are recognized when there is a permanent obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes.

**9) Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

**10) Taxes on income**

Provision for current tax for the period is based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences between taxable income and accounting income and is measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.



**N K TEXTILE INDUSTRIES LIMITED**

**2. Share capital**

(Amount in Rs.)

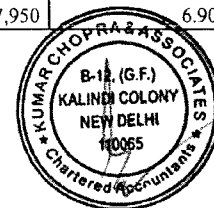
Particulars	As at 31st March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
<b>Authorised Capital</b>				
Equity Shares of Rs. 10/- each	1,000,000	10,000,000	1,000,000	10,000,000
Preference Shares of Rs. 10/- each	500,000	5,000,000	500,000	5,000,000
	1,500,000	15,000,000	1,500,000	15,000,000
<b>Issued, Subscribed &amp; Paid up Capital</b>				
Equity Shares of Rs.10/- each	839,832	8,398,320	839,832	8,398,320
<b>Total</b>	839,832	8,398,320	839,832	8,398,320

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

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	839,832	8,398,320
Shares issued during the year	-	-
Shares outstanding at the end of the year	839,832	8,398,320

(ii) Disclosure pursuant to Note no. 6(A)(g) and 6(A)(f) of Part I of Schedule III to the Companies Act, 2013

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
K.K.Modi Investment & Financial Services Pvt Ltd	373,012	44.42	373,012	44.42
HMA Udyog Private Limited	250,000	29.77	250,000	29.77
Azure Prodcots Private Limited	98,720	11.75	98,720	11.75
Narayan Sales Private Limited	60,050	7.15	60,050	7.15
Trend Agencies Private Limited	57,950	6.90	57,950	6.90



N K TEXTILE INDUSTRIES LIMITED

3. Reserves and surplus

Particulars	(Amount in Rs.)	
	As at March 31st, 2019	As at March 31st, 2018
<b>General Reserve</b>		
Opening Balance	23,971,347	23,971,347
Closing Balance	23,971,347	23,971,347
<b>Statutory reserve fund*</b>		
Opening Balance	35,065	35,065
	35,065	35,065
<b>Amalgamation Reserve</b>		
Opening Balance		
(+) Current Year Transfer	113,500,000	113,500,000
	113,500,000	113,500,000
<b>Capital Reserve fund</b>		
Group's share of associate (as on the date of acquisition i.e.30/05/2014)	113,157,549	113,157,549
Closing Balance	113,157,549	113,157,549
<b>Surplus</b>		
Opening balance	96,981,055	57,089,066
(+) Net Profit/(Net Loss) for the current year	51,522,103	39,891,989
	148,503,158	96,981,055
<b>Total</b>	<b>399,167,119</b>	<b>347,645,016</b>

\* Statutory reserve created under section 45-1C of the Reserve Bank of India Act, 1934

4. Other current liabilities

Particulars	(Amount in Rs.)	
	As at March 31st, 2019	As at March 31st, 2018
Audit fee payable	62,400	35,000
Sec. Audit fees payable	17,700	7,500
Internal Audit fees payable	8,400	5,750
Sundry Creditors	146,503	205,430
Statutory dues payable	6,600	9,577
Tax recoverable (Net of Provision of tax)	86,971	281,190
<b>Total</b>	<b>328,574</b>	<b>544,452</b>



**N K TEXTILE INDUSTRIES LIMITED**

**5. Non-current investments**

(Amount in Rs.)

Particulars	(Amount in Rs.)	
	As at March 31, 2019	As at March 31, 2018
<b>Other Investments</b>		
Investment in Equity instruments	339,081,316	303,827,351
<b>Total</b>	<b>339,081,316</b>	<b>303,827,351</b>

Particulars	(Amount in Rs.)	
	As at March 31, 2019	As at March 31, 2018
Aggregate amount of quoted investments - Equity shares	6,959,705	6,959,705
Aggregate amount of unquoted investments - Equity shares	332,121,611	296,867,646
	<b>339,081,316</b>	<b>303,827,351</b>

**Details of Other Non-Current Investments:**

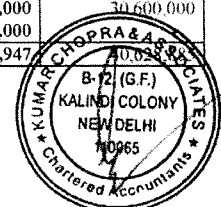
Sr. No.	Name of the Body Corporate	Face value per share	No. of Share / Unit		(Amount in Rs.)	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
<b>(a)</b>	<b>Investment in Equity Instruments - Quoted, fully paid up</b>					
	Modi Rubber Limited	10	126,007	126,007	1,961,184	1,961,184
	Modi Pon Limited	10	460,334	460,334	4,603,340	4,603,340
	Godfrey Phillips India Ltd	10	105,452	105,452	391,881	391,881
	Rswm Ltd	10	264	264	1,538	1,538
	Vardhman Textiles Ltd	7	294	294	1,762	1,762
	<b>Total (a)</b>				<b>6,959,705</b>	<b>6,959,705</b>
<b>(b)</b>	<b>Investment in Equity Instruments - Unquoted, fully paid up</b>					
	HMA Udyog Private Limited, (holding 40%, Associate company)	10	400,000	400,000	10,305,700	10,305,700
	Group's Share of profit upto 31.3.2018				181,926,993	181,926,993
	Group's Share of profit for the year 31.3.2019				35,253,965	-
	International Research Park Lab Ltd, (holding 15%)	10	37,500	37,500	2,255,625	2,255,625
	Modi Distillery & Allied India pvt Ltd	10	3	3	30	30
	Willot (India) Ltd	10	6,250	6,250	62,500	62,500
	K.K.Modi Investment and Financial Services Pvt. Ltd, (holding 3.17%)	10	37,819	37,819	3,056,060	3,056,060
	Modi Industries limited	10	1,700	1,700	1,735	1,735
	Indofil Industries Limited	10	1,962,500	1,962,500	72,925,723	72,925,723
	RICL 6.25% (NCNCRPS)	10	2,000,000	2,000,000	20,000,000	20,000,000
	<b>Sub total (b)</b>				<b>325,788,331</b>	<b>290,534,366</b>
<b>(c)</b>	<b>Investment in Equity Instruments - Unquoted, partly paid up</b>					
	Indofil Industries Limited	3	79,166	79,166	6,333,280	6,333,280
	<b>Total (c)</b>				<b>6,333,280</b>	<b>6,333,280</b>
	<b>Total (a + b+c)</b>				<b>339,081,316</b>	<b>303,827,351</b>

**CURRENT ASSETS**

**6 Current investments**

(Amount in Rs.)

Particulars	Face value per share	No. of Share / Unit		(Amount in Rs.)	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
liff (India Housing Fund)	10	996,651.252	996,651.252	10,141,947	10,028,885
Reliance Liquid Fund- Treasury Plan- Direct Growth Plan	10	-	-	30,600,000	30,600,000
L&T Liquid Fund Direct Plan- Growth	10	6,237.012	-	15,500,000	-
<b>Total</b>	<b>10</b>	<b>1,002,888.264</b>	<b>996,651.252</b>	<b>56,241,947</b>	<b>40,628,885</b>





**N K TEXTILE INDUSTRIES LIMITED**

**7. Cash and Cash equivalents**

(Amount in Rs.)

Particulars	As at March 31st, 2019	As at March 31st, 2018
<b>Balances with banks:</b>		
In current accounts	99,413	74,181
In Fixed deposit	15,416,758	11,840,738
<b>Total</b>	<b>15,516,171</b>	<b>11,914,919</b>

**8. Short term loans and advances**

(Amount in Rs.)

Particulars	As at March 31st, 2019	As at March 31st, 2018
Modi Spg & Wvg Mills Co. Ltd	637,000	637,000
<b>Total</b>	<b>637,000</b>	<b>637,000</b>

**9. Other current assets**

(Amount in Rs.)

Particulars	As at March 31st, 2019	As at March 31st, 2018
Interest receivable	353,981	205,904
Tax receivable (net of provision)	270,169	395,901
Input CGST/SGST	62,746	24,753
<b>Total</b>	<b>686,896</b>	<b>626,558</b>

**10. Revenue from operations**

(Amount in Rs.)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest from bank	958,655	2,373,918
Interest from other	-	375,467
Dividend income	19,408,078	19,415,788
Income from Mutual Fund	125,625	32,095
Misc Income	3,610	-
<b>Total</b>	<b>20,495,968</b>	<b>22,197,268</b>

**11. Employee benefit expenses**

(Amount in Rs.)

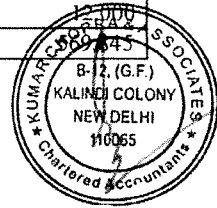
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salary	288,000	435,065
<b>Total</b>	<b>288,000</b>	



**12. Other expenses**

(Amount in Rs.)

<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Advertisement	31,318	32,448
Statutory Audit Fees	129,142	61,550
Internal Audit Fees	11,050	8,400
Secretarial Audit fees	27,900	7,500
Dematerialisation Fees	12,390	12,075
Filing fees	9,000	14,100
Listing Fees	92,505	28,750
Professional Fees	149,542	186,957
Miscellaneous Expenses	79,193	56,510
Bank charges	2,416	3,477
Rent paid	102,000	105,828
subscription Fees	-	40,250
EDP Charges	4,244	-
Certification Expenses	-	-
<b>Total</b>	<b>650,700</b>	<b>580,845</b>



**N K TEXTILE INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FY 2018-19**

**OTHER NOTES**

**13. BASIS OF CONSOLIDATION**

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21)-“Consolidated Financial Statements” and Accounting Standard 23 (AS 23) – “Accounting for Investments in Associates in Consolidated Financial Statements” notified under Rule 3 of the Companies (Accounting Standards) Rules , 2006.

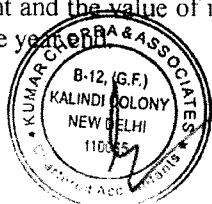
a) Principles of consolidation

The consolidated financial statements relate to N K Textile Industries Limited (‘the Company’), its subsidiary company “Rajputana Developers Limited” and associate “HMA Udyog Private Limited”. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
- Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 –“Accounting for Investments in Associates in Consolidated Financial Statements”
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.
- The excess of cost to the Company of its investment in a subsidiary company over the Company’s portion of the equity of the subsidiary at the date on which investment in subsidiary is made is recognized in the financial statements as goodwill.
- Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company’s shareholders.
- Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.

These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, on the audited financial statements prepared for consolidation in accordance with the requirements of AS 21 and AS 23 by the aforesaid entity.

C) The proportionate share of profit/loss for the year under review in an associate pertaining to the group is recognized in the consolidated financial statement of the group. The group’s share of profit/loss for the year is recognized in the profit and loss account and the value of investment of the group in an associate is adjusted in the Balance sheet (Refer note 5) at the year end.



14. In opinion of the Board, the current assets and loans and advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

15. Earnings per share as per Account Standards (AS-20) has been computed as under:

	For the year ended 31.03.2019	For the year ended 31.03.2018
(a) Net profit / (loss) as per profit and loss statement (Rupees)	51,522,103	39,891,989
(b) Weighted average number of Equity shares	8,39,832	8,39,832
(c) Basic and diluted earnings per share- (Face value of share Rs. 10 each)	61.35	47.50

## 16. RELATED PARTY DISCLOSURE

(A) Related party disclosure under Accounting Standard 18:

- i. Subsidiary Company: Rajputana Developers Limited (RDL) (Share: 81.88%)
- ii. Subsidiary of Subsidiary Company: Super Investment (India) Limited (Share: 88.61% through RDL)
- iii. Associate Company: H.M.A. Udyog Pvt. Ltd (Share: 40%)
- iv. Key Management Personnel:
  - Mr. Sunil Agarwal, Director
  - Mr. Balbir Singh, Director
  - Mrs. Beenu Agarwal, Director
  - Mr. Sanjay Kumar Gupta, Director
  - Mr. Anil Kumar Dua, Chief Executive Officer
  - Mr. Surindra Kapoor, Chief Financial Officer
  - Ms. Sheetal Bharti, Company Secretary

Enterprises over which key management personnel and their relatives are able to exercise significant influence and with whom transactions have been done during the year under review: NONE

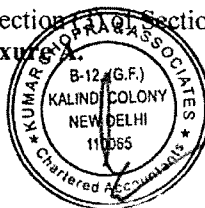
Transactions with Related Parties:



**17. Disclosure as per Schedule III of Companies Act 2013:**

Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (in Rs.)	As % of consolidated Loss-Profit	Amount (in Rs.)
<b>Holding Company</b> N K Textiles Industries Limited	6.31	25715006	0.02	8795
<b>Subsidiary Indian</b> Rajputana Developers Limited	29.81	121491750	28.79	14835071
Super Investment India Limited	11.64	47447042	9.02	4646037
Minority Interests in Subsidiary	-3.38	-13764673	-6.25	-3221945
Goodwill	2.33	9495356	-	-
<b>Associate Indian</b> HMA Udyog Private Limited	53.29	217180958	68.42	35253965
<b>Total</b>	<b>100%</b>	<b>407565439</b>	<b>100%</b>	<b>51522103</b>

18. Statement pursuant to first proviso for sub-section 129 of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 is attached as Annexure.



# N K Textile Industries Limited

**Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025**

**CIN: L17299DL1983PLC163230, Tel: +91 11 61119313**

**Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website:[www.nktil.com](http://www.nktil.com)**

## Form AOC-1

(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/ associate companies/joint ventures**

### Part "A": Subsidiaries

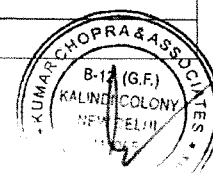
(Rs. in Rs)

Sl.No.	Particulars	Details	
1	Name of the Subsidiary	Rajputana Developers Limited (RDL)	Super Investment (India) Limited(subsidiary of RDL)
2	The date since when subsidiary was acquired	21.01.2016	06.06.2016
3	Reporting period for the subsidiary concerned, If different from the Holding Company's reporting period.	Not Applicable	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
5	Share Capital	118996073	1066500
6	Reserve & Surplus	40285589	46380542
7	Total Assets	159356013	47589037
8	Total Liabilities	159356013	47589037
9	Investments	133615174	41057711
10	Turnover	15077076	4754218
11	Profit before taxation	14834711	4711444
12	Provision for taxation	360	65407
13	Profit after taxation	14835071	4646037
14	Proposed Dividend	-	
15	% of Shareholding	81.88%	88.61% (through Rajputana Developers Limited)

### Part "B": Associates \*

(Amount in Rs.)

Sl.No	Particulars	Details
1	Name of Associate	H M A Udyog Private Limited
2	Latest Audited Balance Sheet Date	31.03.2019
3	Date on which the Associate was associated or acquired	28.02.2014
4	Shares of Associate held by the company on the year end	
i	No. of shares	400000 equity shares
ii	Amount of Investment in Associate	10305700



iii	Extent of Holding %	40%
5	Description of how there is significant influence	The Company holds more than 20% of voting power in the associate
6	Reason why the associate is not consolidated	Not Applicable
7	Net worth attributable to shareholding as per latest audited Balance Sheet	227468250
8	Profit/Loss for the Year	88134913
i	Profit / (Loss) Considered in Consolidation (for the year)	35253965
ii	Profit / (Loss) not considered in Consolidation	52880948

**\*There is no Joint Venture of the Company**

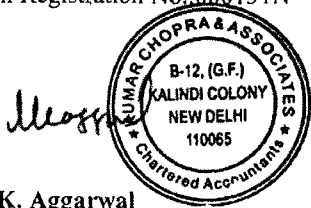
**Notes on Part A and B.**

1. There are no subsidiaries/associates/joint ventures which are yet to commence operations.
2. There are no subsidiaries/associates/joint ventures which have been liquidated or sold during the year.

**For Kumar Chopra & Associates  
Directors**

**For and on behalf of the Board of**

Chartered Accountants  
Firm Registration No. :000131N -



*R. K. Aggarwal*  
**R. K. Aggarwal  
Partner  
Membership No.81510**

*Balbir Singh*  
**Balbir Singh  
Director  
DIN:00 027438**

*Sanjay Kumar Gupta*  
**Sanjay Kumar Gupta  
Director  
DIN:00027728**

Place: New Delhi  
Date: 29.05.2019

*Sheetal Bharti*  
**Sheetal Bharti  
Company Secretary**

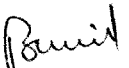
*Surindra Kapoor*  
**Surindra Kapoor  
Chief Financial Officer**

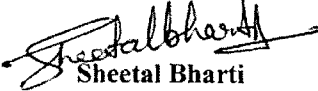
*Anil Kumar Dua*  
**Anil Kumar Dua  
Chief Executive Officer**

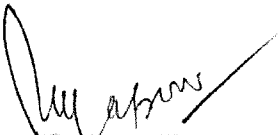
19. The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board of Directors**

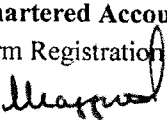
  
**Sanjay Kumar Gupta**  
Director  
DIN. 00027728

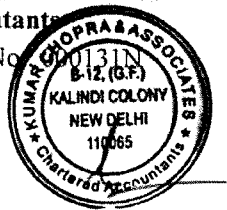
  
**Balbir Singh**  
Director  
DIN. 00027438

  
**Sheetal Bharti**  
Company Secretary

  
**Surindra Kapoor**  
Chief Financial Officer

  
**Anil Kumar Dua**  
Chief Executive officer

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No.   
**R.K. Aggarwal**  
Partner  
Membership No.81510

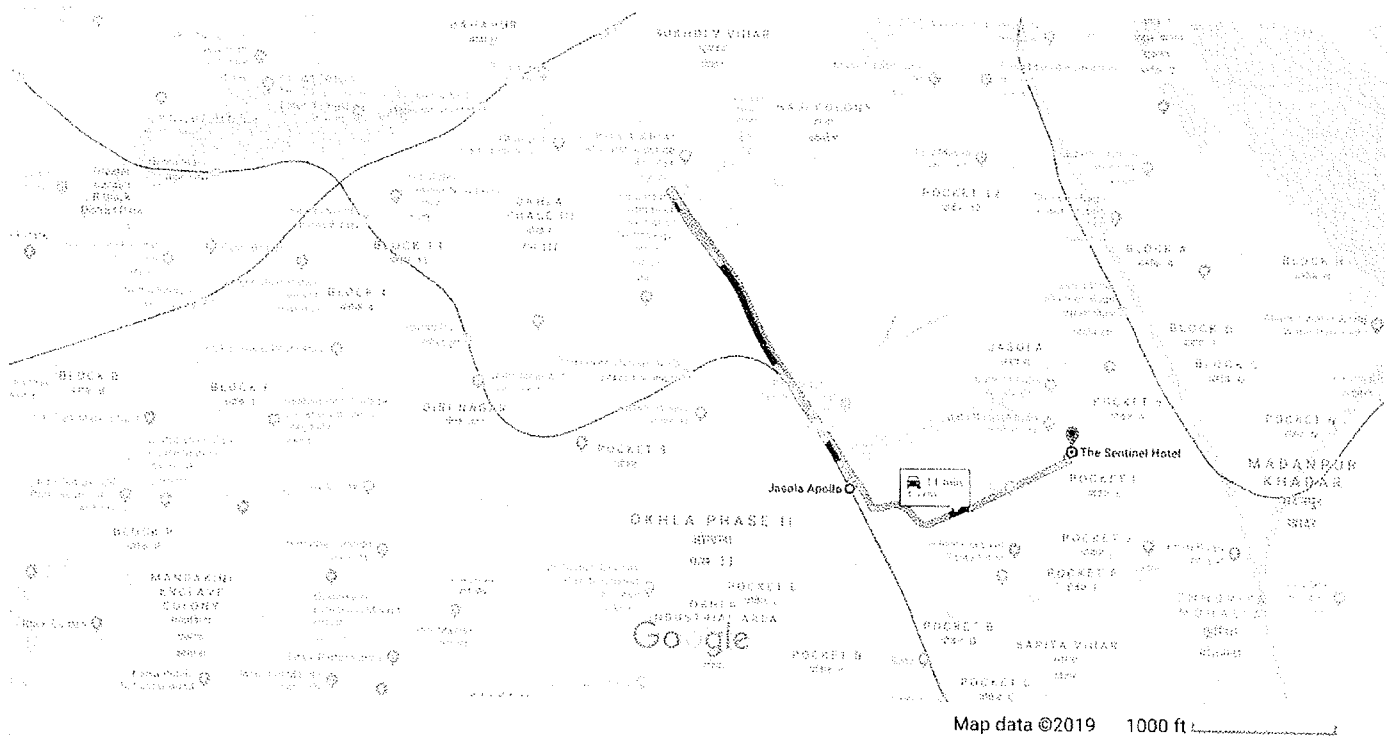


Place: New Delhi  
Date: 29-05-2019



# Google Maps Jasola Apollo to The Sentinel Hotel

Drive 4.6 km, 11 min



via NH19/NH 44

11 min

Fastest route, despite the usual traffic

4.6 km

## Explore The Sentinel Hotel



Restaurants



Hotels



Gas stations



Parking Lots



More

*Route Map from  
Jasola Apollo Metro station to  
The Sentinel Hotel.*

# N K Textile Industries Limited

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CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website:[www.nktil.com](http://www.nktil.com)

## ATTENDANCE SLIP

36<sup>th</sup> Annual General Meeting to be held on 30<sup>th</sup> September, 2019

Name of the Attending Member (in Block Letters)	
Regd. Folio No./ *DP ID/* Client ID	
No. of Equity Shares held	
Name of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

1. I/We hereby record my / our presence at the 36<sup>th</sup> Annual General Meeting of the members of the Company held on 30<sup>th</sup> Day of September, 2019 at 12.00 P.M. at 'The Sentinel', 47, Pocket A, Jasola, New Delhi-110025

2. Signature of the Shareholder/Proxy Present

3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

.....XXXXX.....XXXXXX.....XXXXX  
.....

## ELECTRONIC VOTING PARTICULARS

Remote E Voting Event  
Number (REVEN)  
111496

User ID

Password

Note: Please read the instructions provided in Notice dated 14<sup>th</sup> August, 2019 of the Annual General Meeting. The Voting period starts from 9.00 a.m. on Thursday, September 26<sup>th</sup>, 2019 and ends at 5.00 p.m. on Sunday, September 29<sup>th</sup>, 2019. The voting module shall be disabled by NSDL for voting thereafter.

# N K Textile Industries Limited

Registered office: Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre,  
Jasola, New Delhi-110025

CIN: L17299DL1983PLC163230, Tel: +91 11 61119313

Email Id: [n.ktextiles123@gmail.com](mailto:n.ktextiles123@gmail.com), website: [www.nktil.com](http://www.nktil.com)

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered address		
Email ID		
Folio No./ Client ID		
DP ID		No. of Shares

I/We, being the member(s) of..... shares of the above named Company, hereby appoint:

1. Name			
Address		Signature	
Email ID			
Or failing him/her			
2. Name			
Address		Signature	
Email ID			
Or failing him/her			
3. Name			
Address		Signature	
Email ID			

As my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 36<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 30<sup>th</sup> September, 2019 at 12.00 P.M. at 'The Sentinel', 47, Pocket A, Jasola, New Delhi-110025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For*	Against*
	<b>Ordinary Business</b>		
1.	<b>To receive, consider and adopt:</b> i. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and ii. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019.		
2.	To appoint a Director in place of Mr. Sunil Aggarwal (DIN:00029286) who retires by rotation and being eligible, offers himself for re-appointment.		
	<b>Special Business</b>		
3.	Re-appointment of Mr. Sanjay Kumar Gupta (DIN: 00027728) as an Independent Director of the Company for another term of five consecutive years upto the conclusion of the 41st AGM of the Company in the calendar year 2024."		

4	Appointment of Mrs. Beenu Agarwal (DIN:00056062) as an Independent Director of the Company for a term of five consecutive years upto the conclusion of the 41st AGM of the Company in the calendar year 2024."		
---	--	--	--

Signed this ----- day of-----2019

Signature of Member-----

Signature of Proxy-----

Affix  
Revenue  
Stamp

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of Members, not exceeding fifty, and holding in the aggregate not more than 10% of the total share Capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting Rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. \* It is optional to put a "v" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/ she deems appropriate.