
ANNUAL REPORT : 2019-20

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

Tel:91 11 61119313

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, website: www.nktil.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sunil Aggarwal	Director
Mr. Balbir Singh	Director
Mrs. Beenu Agarwal	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

Mrs. Beenu Agarwal	Chairman
Mr. Sunil Aggarwal	
Mr. Sanjay Kumar Gupta	

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Beenu Agarwal	Chairperson
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, 2nd 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, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

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37th ANNUAL GENERAL MEETING	
Day:-	Monday
Date:-	30th September, 2020
Time:-	4.00 P.M
Venue:-	At Omaxe Square, Plot No.14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty-seventh (37th) Annual General Meeting of the Company will be held on Wednesday, 30th September, 2020 at 4.00 P.M at the registered office of the Company at Omaxe Square, Plot No. 14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025 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, 2020 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, 2020.
2. To appoint a Director in place of Mr. Balbir Singh (DIN:00027438) who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board
For N K Textile Industries Limited



Balbir Singh
Director

DIN:00027438

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



Place: New Delhi

Date : 28th August, 2020

Notes:

1. The Register of Members and Share Transfer Register of the Company shall remain closed from Thursday, September 24, 2020, to Wednesday September 30, 2020 (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. 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.
5. 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.
6. 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 21st September, 2017 for a period of five years.
7. 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.
8. 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.
9. 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:

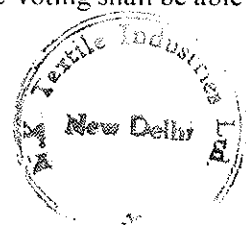
MAS SERVICES LIMITED

Address: T-34, 2nd Floor, Okhla Industrial Area,



Phase-II, New Delhi-110020
Tel. No.:011-26387281, 82, 83
Fax No.: 011-26387384

10. The Statement of Profit and Loss for the financial year ended 31st March, 2020, 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 (under the process of renewal) for viewing various financial information including the quarterly results and annual report of the Company.
11. 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.
12. 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.
13. 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.
14. 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.
15. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
16. **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 Sunday, September 27, 2020 (09:00 am) and ends on Tuesday, September 29, 2020 (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, 2020 (Wednesday) 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, 23rd September, 2020. 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



- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 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.

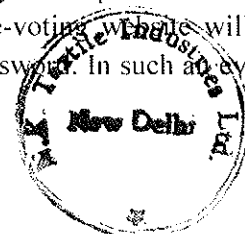
Details on Step 2 are mentioned below:

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 114109**
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 kapahiasociates@yahoo.com with a copy marked to 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 system 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 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 or call on toll free no. :1800-222-990 or send a request at 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 , 2020, may obtain the login ID and password by sending a request at 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 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). Due to some technical reasons, the website of the Company is being repaired and the same will get functional shortly.

By order of the Board

For N K Textile Industries Limited



Balbir Singh
Director
DIN: 00027438
Place: New Delhi
Date : 28th August, 2020



N K Textile Industries Limited

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Email Id: n.ktextiles123@gmail.com, website: www.nktil.com

ATTENDANCE SLIP

37th Annual General Meeting to be held on 30th September, 2020

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 37th Annual General Meeting of the members of the Company held on 30th Day of September, 2020 at 4.00 P.M. at the registered office of the Company at 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.....XXXXXXXX.....XXXXX
.....

ELECTRONIC VOTING PARTICULARS

Remote E Voting Event
Number (REVEN)

User ID

Password

Note: Please read the instructions provided in Notice dated 28th August, 2020 of the Annual General Meeting. The Voting period starts from 9.00 a.m. on Sunday, September 27th, 2020 and ends at 5.00 p.m. on Tuesday, September 29th, 2020. The voting module shall be disabled by NSDL for voting thereafter.

N K Textile Industries Limited

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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 37th Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2020 at 4.00 P.M. at Omaxe Square, Plot No.14, 5th Floor, Jasola District Centre, Jasola, New Delhi-110025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For*	Against*
	Ordinary Business		
1.	To receive, consider and adopt: i. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2020, 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, 2020.		
2.	To appoint a Director in place of Mr. Baibir Singh (DIN:00027438) who retires by rotation and being eligible, offers himself for re-appointment.		

Signed this ----- day of-----2020

Signature of Member-----

Signature of Proxy-----



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 "✓" 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.
-

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N K TEXTILE INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 37th Annual Report together with the Audited Financial Statements for the year ended March 31, 2020.

1. Financial Highlights

The Company earned at a profit of Rs. 0.60 lacs (before tax) as against a profit of Rs.0.11 lakh in the previous year. The consolidated loss during the year under review was Rs. 794.70 lacs as against a profit of Rs. 1922.68 lacs (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. 6.89 lacs as against Rs.6.65 lacs in the previous year. Miscellaneous income is Rs. 0.11 lacs during the year under review.

3. Covid-19

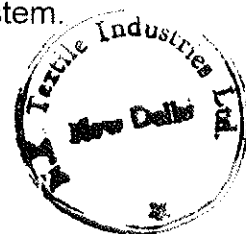
The Covid-19 has resulted in a significant decrease in fair value of company's financials assets (investment) and the management has considered the effect of the same in the current year financials. Apart from the above, there is no effect on company's financials due to lockdown/covid-19.

4. Dividend

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

5. 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 major source of income was from interest income from banks and other sources representing 98.44% of total income.

6. Transfer to Reserves

During the year under review, Rs. 0.13 lakhs has been transferred to the statutory reserve.

7. RBI Guidelines

The Company's registration as Non-Banking Financial Company (NBFC) was cancelled during the year by Reserve Bank of India (RBI) vide order dated October, 2019. The Company has deployed its surplus funds in the share capital of group company and it falls under the definition of Core Investment Company (CIC) in terms of latest Notification No. DNBR. PD.003/03.10.119/2016-17 dated 25th August, 2016 issued by RBI.

In accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to create a statutory reserve fund and transfer therein a sum not less than 20% of its Net Profit every year and the same is being complied with.

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.

8. 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.

9. 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'**.

10. 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 2019-20.

11. Corporate Governance

The Company is listed with Metropolitan Stock Exchange of India Limited (formerly Known as MCX Stock Exchange Limited). 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.

12. Directors/ Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Balbir Singh (DIN: 00027438) 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. The Certificate of Non-Disqualification of Director is attached as per Annexure 'C'.

13. Declaration given by Independent Director

The Company has received declaration from Mrs. Beenu Agarwal (DIN: 00056062) 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.

14. Annual Performance Evaluation

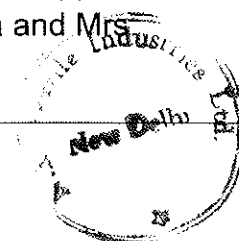
The Company in consultation with Nomination and Remuneration Committee has carried out the performance evaluation of Independent Directors, Board, Committees and other individual Directors. Pursuant to the provisions of the Companies Act, 2013, a structured questionnaire was prepared after taking into 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.

15. Number of Meetings of the Board

The details of the number of meetings of the Board held during the Financial Year 2019-20 are as follows:

S.No.	Date of Meeting	Name of Directors who attended the meeting
1	26.04.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal



2	29.05.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
3	14.08.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
4	14.11.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal
5	14.02.2020	Mr. Balbir Singh, Mr. Sunil Aggarwal , Mr. Sanjay Kumar Gupta and Mrs. Beenu Agarwal

16. Deposits

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

17. Particulars of Loans, Guarantees or Investments by Company

Details of Investments is given in the notes to Financial Statements. (Please refer Note 4 of the Financial Statement). No guarantee was given by the company during the Financial Year 2019-20.

18. 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.

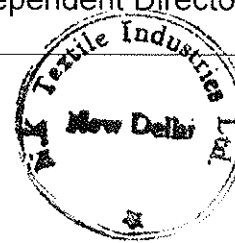
19. Whistle Blower Policy/ Vigil Mechanism

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.

20. Audit Committee

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

S. No.	Name of Member	Designation
1.	Mrs. Beenu Agarwal	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	29.05.2019	Mr. Balbir Singh , Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
2	14.08.2019	Mr. Balbir Singh , Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
3	14.11.2019	Mrs. Beenu Agarwal, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
4	14.02.2020	Mrs. Beenu Agarwal, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta

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

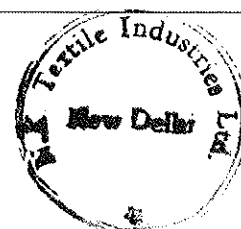
21. Nomination and Remuneration Committee

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

S. No.	Name of Member	Designation
1.	Mrs. Beenu Agarwal	Chairperson (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	14.08.2019	Mr. Balbir Singh, Mr. Sunil Aggarwal and Mr. Sanjay Kumar Gupta
---	------------	---

22. 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.

23. 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, 2020, 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, 2020 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.

24. 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)



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 21st 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.

25. 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, Indian Accounting Standard (Ind As -110) on consolidated financial statements and Indian Accounting Standard (Ind As -28) 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.

26. 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.

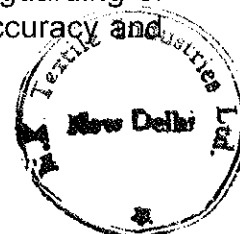
27. Secretarial Auditor

The Board appointed 'M/s Kundan Agrawal & Associates', Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2019-20 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.

28. 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.

29. 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.

30. 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 31st 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.

31. 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.

32. 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'**

33. 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.

34. Equity Shares Capital

The Equity share capital of the Company as at 31st March, 2020 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, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.



35. 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

36. 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.

37. 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: 28.08.2020


(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, website: 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

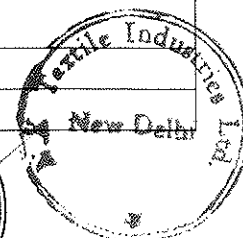
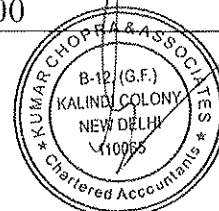
(Rs. in Rs)

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	54,96,073	10,66,500
6	Reserve & Surplus	2,25,48,53,642	60,26,89,256
7	Total Assets	3,03,59,66,916	61,73,56,687
8	Total Liabilities	3,03,59,66,916	61,73,56,687
9	Investments	3,02,04,33,153	59,21,26,315
10	Turnover	1,65,69,128	2,03,70,574
11	Profit before taxation	1,39,22,018	(9,34,52,612)
12	Provision for taxation	39,637	1,30,48,478
13	Profit after taxation	1,38,82,381	(8,04,04,134)
14	Proposed Dividend	-	0
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	31.03.2020
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	1,03,05,700



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	56,47,13,200
8	Profit/Loss for the Year (including other comprehensive income)	4,02,68,000
i	Profit / (Loss) Considered in Consolidation (for the year)	1,61,07,200
ii	Profit / (Loss) not considered in Consolidation	2,41,60,800

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

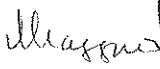
Notes on Part A and B.

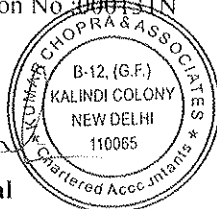
1. There are no subsidiaries/associates/joint ventures which are yet to commence operations.
2. There are no subsidiaries/associates/joint ventures which have been liquidated or sold during the year.


For Kumar Chopra & Associates

For and on behalf of the Board of Directors

Chartered Accountants
Firm Registration No. 000131N


R. K. Aggarwal
Partner
Membership No.81510





Balbir Singh
Director
DIN:00 027438


Sanjay Kumar Gupta
Director
DIN:00027728



Place: New Delhi
Date: 23 JUL 2020


Sheetal Bharti
Company Secretary


Surindra Kapoor
Chief Financial Officer


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, website: www.nktil.com

Annual Return Extracts in MGT-9

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2020

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

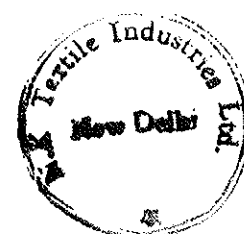
I. REGISTRATION AND OTHER DETAILS:

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 th 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 nd 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	98.44%



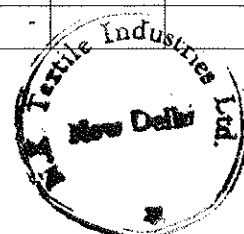
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

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

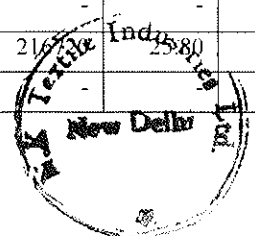
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding as on 31.03.2020

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	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-



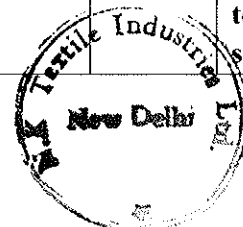
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	623012	-	623012	74.19	623012	-	623012	74.19	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other (Trusts)	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	623012	-	623012	74.19	623012	-	623012	74.19	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	623012	-	623012	74.19	623012	-	623012	74.19	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	216720	-	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	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	216720	100	216820	25.81	216720	100	216820	25.81	-
Total Public Shareholding (B) = (B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	839732	100	839832	100	839732	100	839832	100	-

(ii) Shareholding of Promoters as on 31.03.2020

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 Financial Services Private Limited	373012	44.42	-	373012	44.42	-	NIL
2	H M A Udyog Private Limited	250000	29.77	-	250000	29.77	-	NIL
	Total	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
	At the beginning of the year	623012	74.19	623012	74.19
	Date wise Increase / (Decrease) in Shareholding during the year and reasons	-	-	-	-
	At the End of the year	623012	74.19	623012	74.19

* There is no change in the shareholding of promoters between April 1, 2019 to March 31, 2020.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2020

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
1	Trend Agencies Private Limited	57950	6.90	57950	6.90
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	Nil movement during the year	-	-	-



	At the End of the year (or on date of separation, if separated during the year)	57950	6.90	57950	6.90
2	Azure Products Private Limited	98720	11.75	98720	11.75
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	Nil movement during the year	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	98720	11.75	98720	11.75
3	Narayan Sales Private Limited	60050	7.15	60050	7.15
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc)	Nil movement during the year	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	60050	7.15	60050	7.15
4	Mr. Anil Buddhiraja	4	0.00	4	0.00
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	Nil movement during the year	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	4	0.00	4	0.00
5	Ms. Babita Gupta	4	0.00	4	0.00
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	Nil movement during the year	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	4	0.00	4	0.00
6	Mr. Vinay Sharma	4	0.00	4	0.00

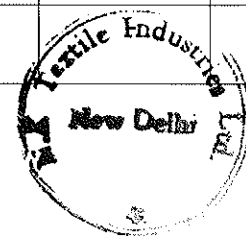


	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	Nil movement during the year	-	-	-
	At the End of the year (or on date of separation, if separated during the year)	4	0.00	4	0.00
7	Mr. Rakesh Gupta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



(v) Shareholding of Directors and Key Managerial Personnel as on 31.03.2020

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
A	At the beginning of the Year				
1	Mr. Balbir Singh (DIN:00027438)	-	-	-	-
	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	-	-	-	-
2	Mr. Sanjay Kumar Gupta (DIN:00027728)	-	-	-	-
	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	-	-	-	-
3	Sunil Aggarwal (DIN: 00029286)	-	-	-	-
	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	-	-	-	-
4	Beenu Agarwal (DIN: 00056062)	-	-	-	-
	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	Key Managerial Personnel (KMP)				
1	Mr. Anil Kumar Dua (Chief Executive Officer)	-	-	-	-

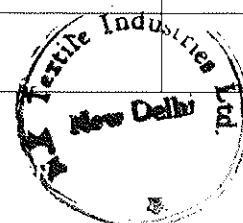


	Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease(e.g allotment/transfer/bonus/swe at equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
2	Mr. Surindra Kapoor (Chief Financial Officer)	-	-	-	-
	Datewise Increase/Decrease in Promoters 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	-	-	-	-
3	Ms. Sheetal Bharti (Company Secretary)	-	-	-	-
	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
Indebtedness at the beginning of the Financial year			
i) Principal Amount	-	-	-
ii) Interest due but not paid			
iii) Interest accrued but not due			
Total (i+ii+iii)			
Change in indebtedness during the Financial year	-	-	-
• Addition			
• (Reduction)			
Indebtedness at the end of the Financial year	-		-



i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due			
Total (i+ii+iii)			

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	-	-
	Total (A)	-	-
	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				
	Total (1)				
2.	Other Non-Executive Directors	-			-
	• Fee for attending board / committee meetings				
	• Commission				
	• Others				



	Total (2)				
	Total (B)= (1+2)				
	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 th September, 2017)	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,80,000	108000	288000
	(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	-	-		-



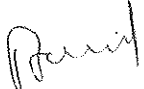
	- as % of profit	-	-		-
	- others	-	-		-
5.	Others	-	-		-
	TOTAL		1,80,000	1,08,000	2,88,000

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)
A.COMPANY					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
C.OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Respectfully submitted on behalf of the Board

Place: New Delhi
Dated: 28.08.2020


(Balbir Singh)
Director
(DIN-00027438)


(Sanjay Kumar Gupta)
Director
(DIN-00027728)





Kundan Agrawal & Associates

Company Secretaries
 Phone: 91-11-43093900
 Mobile: 09212467033, 09999415059
 E-mail: agrawal.kundan@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

N K TEXTILE INDUSTRIES LTD

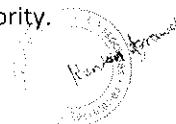
OMAXE SQUARE, PLOT NO. 14,

5TH FLOOR, JASOLA DISTRICT CENTRE,

JASOLA, NEW DELHI-110025

We Kundan Agrawal & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s N K TEXTILE INDUSTRIES LTD** having CIN L17299DL1983PLC163230 and having registered office at Omaxe Square, Plot No. 14, 5th Floor Jasola District Centre, Jasola, New Delhi-110025 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.



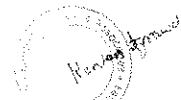
Office: - 193, 1st Floor Shakti Khand-3, Indirapuram, Ghazibad, Uttar Pradesh-201010(INDIA)

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Balbir Singh	00027438	10/02/2007
2.	Mr. Sanjay Kumar Gupta	00027728	29/06/2007
3.	Mr. Sunil Aggarwal	00029286	03/09/2004
4.	Mrs. Beenu Agarwal	00056062	04/03/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Uttar Pradesh
Date : 28/08/2020

For Kundan Agrawal & Associates
Company Secretaries
FRN: S2009DE113700



Kundan Agrawal
Company Secretary
C.P. No. 8325
M.No-F7631
UDIN- F007631B000628537



Kundan Agrawal & Associates

Company Secretaries
Phone: 91-11-43093900
Mobile: 09212467033, 09999415059
E-mail: agrawal.kundan@gmail.com

'Annexure - D'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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 31st March, 2020 ('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 31st March, 2020 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;



193 First floor, Shakti Khand 3(near One mall) Indirapuram, Ghaziabad U.P. India 201014

- (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.
- 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.
- According to RBI Notification, NBFCs are required to maintain Net Owned funds (NoF) which is INR 200 Lakhs. The company was in default of maintaining its NOF in the relevant financial year starting from 1st April 2019 due to which its registration was cancelled vide letter No. DNBS(ND) N/CMS-VI/05.14.090/2019-20 dated 23rd October, 2019 regarding cancellation of Certificate of Registration (COR) under section 45-IA(6) of the Reserve Bank of India (RBI) Act, 1934.
- As per the discussions with the management the company was supposed to comply with the order of RBI within 6 months of cancellation of the Certificate of Registration (COR). The 6 months time period lapsed on 23rd April 2020. Due to COVID-19 there was an unforeseen delay in these compliances due to a nationwide lockdown. Now when the operations have resumed the company is in the process of complying with the order at the earliest.

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: 28/08/2020

For Kundan Agrawal & Associates
Company Secretaries



Kundan Agrawal
Company Secretary
Membership No. 7631
C.P. No. 8325
UDIN: F007631B000628636

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, website: www.nktil.com

Annexure 'E'

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 2019-20.

- (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 2019-20	% increase in remuneration in the Financial Year 2019-20
Mr. Anil Kumar Dua, Chief Executive officer	NIL	NIL
Mr. Surindra Kapoor, Chief Financial Officer	180000	NIL
Ms. Sheetal Bharti (appointed w.e.f 20 th 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

- (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

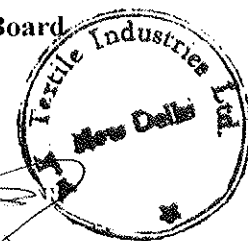
Respectfully submitted on behalf of the Board

Place: New Delhi

Dated: 28.08.2020

(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 2020, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 Indian accounting standards (Ind AS) specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020, its Profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

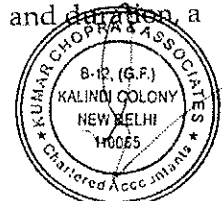
2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 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. Emphasis of matter

We draw attention to following notes to the standalone financial statements:

- i) Note 20 which describes the management assessment of the impact of Covid-19 pandemic on the diminution in the value of its investments and necessary adjustment thereof having been made in the standalone financial statement. However, in view of uncertainties associated with pandemic nature and duration, a



definitive assessment of the impact on the subsequent periods is highly dependent on the circumstances as they evolve.

- ii) Note 1(I) which states that the company's registration as NBFC has been cancelled during the year by RBI and now company operates as Core Investment Company.

Our opinion is not modified in respect of these matters.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our checks and on the basis of information and explanation from the management we have determined that there are no key audit matters to be communicated in our report.

5. 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 standalone financial statements and our auditor's report thereon. The report is expected to be made available to us after the date of this Auditor's Report.

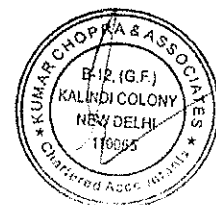
Our Opinion on the standalone financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statement, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

6. Responsibility of Management for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, changes in equity, 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.

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

7. 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, 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 Act, 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 there is 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.

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

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

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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore key audit matters. We describe these audit matters in our audit report unless law or regulation precludes public disclosure about the matters and when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Report on Other Legal and Regulatory Requirements

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

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

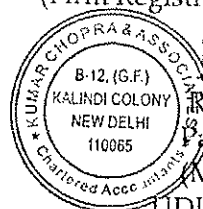


- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the 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.

III. As required by Section 197(16) of the Act, we report that in our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration pursuant to provisions of section 197 to the Act.

For Kumar Chopra & Associates
Chartered Accountants

(Firm Registration Number: 000131N)



K. Aggarwal
K. Aggarwal
Partner

(M. No 81510)

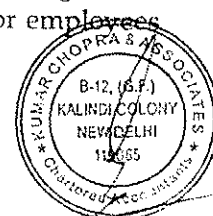
UDIN: 20081510AAAACB9995

Place of signature: New Delhi
Date: 23.07.2020

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 8(l) of our report of even date on the standalone financial statements of N K TEXTILE INDUSTRIES LIMITED for the Year ended 31st March 2020

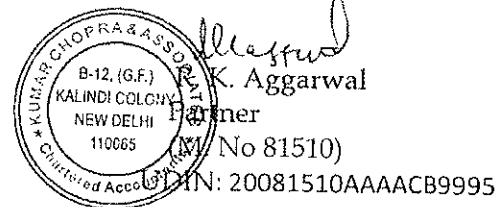
1. a) The company does not have any fixed assets; thus paragraph 3(i) of the Order is not applicable.
2. The company does not have any inventories; thus paragraph 3(ii) of the Order is not applicable.
3. According to the information and explanations given to us, the company has not granted loans, to 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 books of account, and records of the Company, the Company has been regular in depositing undisputed statutory dues including income tax, goods and service tax and other statutory dues, as applicable, 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 goods and service tax and other statutory dues 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. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no fraud on the company by its officers or employees has been noticed or reported during the year.



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 them under the provisions of section 192 of Act.
16. According to the information and explanation given to us, the company's registration as NBFC with Reserve Bank of India under section 45-IA of RBI Act, 1934 vide registration no. B-14.03304 dated 08.07.2014 has been cancelled by RBI vide Order dated October 2019. The company is now operating as Core Investment company as defined in 'Core Investment Companies (Reserve Bank) Directions, 2016', for which no registration is required from RBI.

For Kumar Chopra & Associates
Chartered Accountants
(Firm Registration Number: 000131N)

Place of signature: New Delhi
Date: 23.07.2020



ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 8(II)(f) of our report of even date on the standalone financial statements of N K TEXTILE INDUSTRIES LIMITED for the Year ended 31st March 2020

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

Opinion

We have audited the internal financial controls over financial reporting of N K Textile Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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, 2020, 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 (the "Guidance Note").

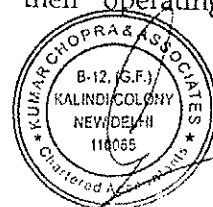
Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (the "Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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.

For Kumar Chopra & Associates
Chartered Accountants

(Firm Registration Number: 000131N)



R.K. Aggarwal
R. K. Aggarwal
Partner

(M. No 81510)
UDIN: 20081510AAAACB9995

Place of signature: New Delhi

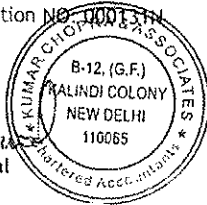
Date: 23.07.2020

N K Textile Industries Limited
 Standalone Balance Sheet as at 31st March, 2020
 All amounts in INR unless otherwise stated

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
ASSETS				
Financial Assets				
- Cash and cash equivalents	2	1,35,241	5,566	-
- Bank balance Other than cash and cash equivalen	3	99,00,156	97,84,683	98,38,340
- Investments	4	47,27,55,953	53,73,26,567	34,05,54,396
-Other Financial Assets	5	1,83,464	2,03,955	1,96,456
		<u>48,29,74,814</u>	<u>54,73,20,771</u>	<u>35,05,89,192</u>
Non-financial assets				
- Current tax assets (Net)	6	55,650	2,15,645	1,51,316
		<u>55,650</u>	<u>2,15,645</u>	<u>1,51,316</u>
Total assets		<u>48,30,30,464</u>	<u>54,75,36,416</u>	<u>35,07,40,508</u>
LIABILITIES AND EQUITY				
Financial Liabilities				
Other financial liabilities	7	1,26,960	1,06,828	93,346
		<u>1,26,960</u>	<u>1,06,828</u>	<u>93,346</u>
Non Financial Liabilities				
- Deferred tax liabilities (Net)	8	10,54,27,266	12,03,97,572	7,44,34,173
- Other non financial liabilities	9	3,000	5,400	4,120
		<u>10,54,30,266</u>	<u>12,04,02,972</u>	<u>7,44,38,293</u>
Total liabilities		<u>10,55,57,226</u>	<u>12,05,09,800</u>	<u>7,45,31,639</u>
Equity				
Equity share capital	10	83,98,320	83,98,320	83,98,320
Other equity	11	36,90,74,918	41,86,28,296	26,78,10,549
Total equity		<u>37,74,73,238</u>	<u>42,70,26,616</u>	<u>27,62,08,869</u>
Total liabilities and equity		<u>48,30,30,464</u>	<u>54,75,36,416</u>	<u>35,07,40,508</u>
Significant Accounting Policies	1			
Notes forming part of the standalone Financial Statements	1-21			

In terms of our report of even date attached
 For Kumar Chopra & Associates
 Chartered Accountants
 Firm Registration NO. 10001371

R.K. Aggarwal
 Partner
 Membership No. 081510
 Place: New Delhi
 Date: 23 JUL 2020



For and on behalf of the Board of Directors

Balbir Singh
 Director
 DIN No. 00027438

Anil Kumar Dua
 Chief Executive Officer

Sheetal Bharti
 Company Secretary

Sanjay Kumar Gupta
 Director
 DIN No. 000027728

Surindra Kapoor
 Chief Financial Officer



N K Textile Industries Limited

Standalone Statement of profit and loss for the year ended 31st March, 2020

All amounts in INR unless otherwise stated

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income			
Revenue from operation		-	-
Other Income	12	6,99,763	6,64,674
Total Income		<u>6,99,763</u>	<u>6,64,674</u>
Expenses			
Employee benefit expenses	13	2,88,000	2,88,000
Other expenses	14	3,51,597	3,65,561
Total Expenses		<u>6,39,597</u>	<u>6,53,561</u>
Profit before tax		<u>60,166</u>	<u>11,113</u>
Tax expense:			
Current tax		13,236	2,138
Deferred tax		-	-
Profit for the period		<u>46,930</u>	<u>8,975</u>
Other comprehensive income			
Items that will not to be reclassified to profit or loss			
(i) Gain/(Loss) on financial instruments through other comprehensive income		(6,45,70,615)	19,67,72,171
(ii) Income tax relating to items that are not to be reclassified in profit and loss		1,49,70,307	(4,59,63,399)
Total other comprehensive income - (i+ii)		<u>(4,96,00,308)</u>	<u>15,08,08,772</u>
Total comprehensive income for the period		<u>(4,95,53,378)</u>	<u>15,08,17,747</u>
Earning per equity share- basic/diluted (Face value of share - Rs. 10 each)	16	0.06	0.01
Significant Accounting Policies	1		
Notes forming part of the Standalone Financial Statements	1-21		

In terms of our report of even date attached

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration NO: 000131N



R.K. Aggarwal
R.K. Aggarwal
Partner

Membership No. 081510
Place: New Delhi

Date: 23 JUL 2020

For and on behalf of the Board of Directors

Balbir Singh

Balbir Singh
Director
DIN No. 00027438

Sanjay Kumar Gupta

Sanjay Kumar Gupta
Director
DIN No. 000027728

Anil Kumar Dua

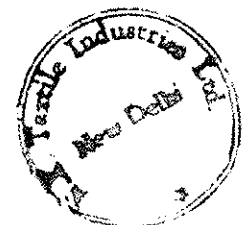
Anil Kumar Dua
Chief Executive Officer

Surindra Kapoor

Surindra Kapoor
Chief Financial Officer

Sheetal Bharti

Sheetal Bharti
Company Secretary



N K Textile Industries Limited
Cash Flow Statement for the year ended March 31, 2020
All amounts in INR unless otherwise stated

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash flow from operating activities		
Net profit/(loss) before tax and exceptional items	60,166	11,113
Adjustments:		
Interest Income	(6,88,867)	(6,64,674)
Change in other payable	20,132	13,482
Change in other non financial liabilities	(2,400)	1,280
Change in other bank balances	(1,15,473)	53,657
Cash generated from operations	<u>(7,26,442)</u>	<u>(5,85,142)</u>
Direct Tax paid	1,46,759	(66,467)
Net cash flow from operating activities (A)	<u>(5,79,683)</u>	<u>(6,51,609)</u>
B. Cash Flows from investing activities (B)		
Interest Income	7,09,357	6,57,175
C. Cash Flows from financing activities (C)		
Net increase / (decrease) in cash and cash equivalents (A + B + C)	<u>1,29,675</u>	<u>5,566</u>
Cash and cash equivalents at the beginning of the year	5,566	-
Cash and cash equivalents at the end of the year	<u>1,35,241</u>	<u>5,566</u>
Net Increase/(decrease) in cash & cash equivalents	<u>1,29,675</u>	<u>5,566</u>

Components of cash and cash equivalents are disclosed in Note no 2

Significant Accounting Policies

1

Notes forming part of the Financial Statements

1-21

In terms of our report of even date attached

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration NO: 000131N

For and on behalf of the Board of Directors

In terms of our report attached

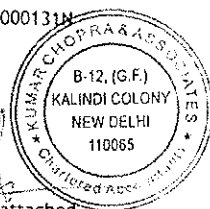
R.K. Aggarwal

Partner

Membership No. 081510

Place: New Delhi

Date: 23 JUL 2020



R.K. Aggarwal

Balbir Singh

Balbir Singh
Director

DIN No. 00027438

Sanjay Kumar Gupta

Sanjay Kumar Gupta
Director

DIN No.000027728

Anil Kumar Dua

Anil Kumar Dua

Chief Executive Officer

Surindra Kapoor

Surindra Kapoor

Chief Financial Officer

Sheetal Bharti

Sheetal Bharti

Company Secretary



N K Textile Industries Limited
Statement of Changes in Equity for the year ended 31st March, 2020
All amounts in INR unless otherwise stated

(a) Equity share capital

Particular	Amount
Balance at April 1, 2018	83,98,320
Changes in equity share capital during the ye	-
Balance at March 31, 2019	83,98,320
Changes in equity share capital during the ye	-
Balance at March 31, 2020	83,98,320

(b) Other equity

Particulars	General reserves	Statutory Reserve*	Fair value through Other Comprehensive Income(FVTOCI) Reserve	Retained earnings	Total
Balance at April 01, 2018	2,39,71,347	35,065	24,60,01,588	(21,97,451)	26,78,10,549
Profit for the year	-	-	-	8,975	8,975
Other Comprehensive income for the year, net of Income tax	-	-	15,08,08,772	-	15,08,08,772
Balance at March 31, 2019	2,39,71,347	35,065	39,68,10,360	(21,88,476)	41,86,28,296
Profit for the year	-	-	-	46,930	46,930
Transfer from profit to statutory reserve	-	13,000	-	(13,000)	-
Other Comprehensive income for the year, net of Income tax	-	-	(4,96,00,308)	-	(4,96,00,308)
Balance at March 31, 2020	2,39,71,347	48,065	34,72,10,052	(21,54,546)	36,90,74,918

* Created under section 45-IC(i) of Reserve Bank of India Act, 1934 as a Statutory Reserve.

Notes forming part of the Financial Statements

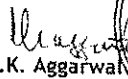
1-21

In terms of our report of even date attached

For Kumar Chopra & Associates

Chartered Accountants

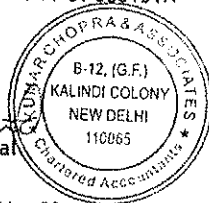
Firm Registration NO: 000131N


R.K. Aggarwal
Partner

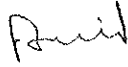
Membership No. 081510

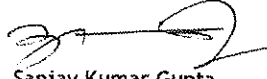
Place: New Delhi

Date: 23 JUL 2020



For and on behalf of the Board of Directors


Balbir Singh
Director
DIN No. 00027438


Sanjay Kumar Gupta
Director
DIN No.000027728


Anil Kumar Dua
Chief Executive Officer


Surindra Kapoor
Chief Financial Officer


Sheetal Bharti
Company Secretary



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

Note 1:

I. Corporate information

N.K. Textile Industries Limited ('the Company') is a company limited by shares, incorporated in India on 9th February 1983. The Company is fully owned by Indian Shareholders. The addresses of its registered office is Omaxe Square, Plot No. 14, 5th Floor, Jasola, New Delhi-110025. The company's registration as NBFC has been cancelled during the year by RBI vide Order dated October 2019. The Company is a listed, core Investment Company (CIC) in terms of Notification No. DNBR. PD.003/03.10.119/2016-17 dated 25th August, 2016 issued by RBI as amended. Hence, the Company is exempted from Registration as Non-Banking Financial Company.

II. (a) Statement of compliance

The Company is required to adopt Indian Accounting Standards (Ind AS) with effect from financial year 2019-20. Accordingly, these standalone financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(b) First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. For all periods up to and including the year ended 31st March 2019, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 (Indian GAAP). These financial statements for the year ended 31st March 2020 are company's first Ind AS financial statements.

The effect of the Company's transition to Ind AS is summarised in the following notes:

(i) Transition elections

(ii) Reconciliation of equity, total comprehensive income, balance sheet, profit and loss and cash flows as reported as per Ind AS in this statement with as reported in previous years as per previous Indian GAAP. (Refer Note 16 for details)

(c) Transition elections

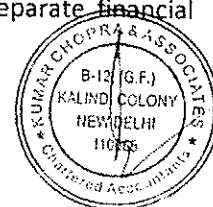
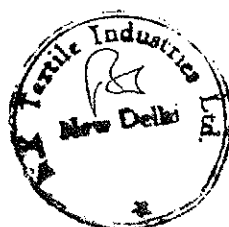
The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain mandatory optional exemptions availed by the Company as detailed below.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

Investments in subsidiaries and associates in separate financial statements

The Company has opted to consider previous GAAP carrying value of investments as deemed cost on transition date for investments in subsidiaries and associates in separate financial statements.



III. Basis of preparation and presentation

a. Basis of preparation and presentation

The financial statements are presented in Indian Rupees. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

b. Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities.

The Management believes that the estimates used in preparation of the 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.

IV. Significant accounting policies

a. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when (or as) Company satisfies a performance obligation by transferring promised goods and services.

Interest Income

Interest income on fixed deposits is accounted for on accrual basis.

Dividend income

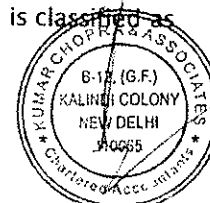
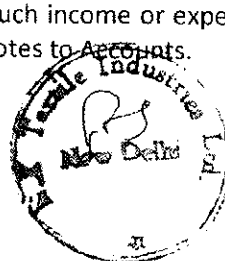
Dividend income from shares/ mutual funds is recognised for when the right to receive it is established.

b. Cash Flow Statement

Cash flow statement is prepared using the indirect method, whereby, profit/(loss) before tax is adjusted for the effects of transition of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing, and financial activities of the Company are segregated based on the available information.

c. Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.



d. **Taxation**

Current tax

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

The tax currently payable is based on taxable profits for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current Tax related to Other Comprehensive Income items are recognised in Other Comprehensive Income schedule.

Deferred tax

Deferred tax resulting from "temporary differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on balance sheet date. the deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future. Deferred tax that relates to items that are recognised in other comprehensive income is recognised in other comprehensive income.

e. **Finance Costs**

Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Profit and Loss using effective interest rate (EIR). Borrowing cost may include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

f. **Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

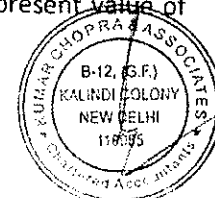
g. **Earnings per share (EPS)**

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. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to dilutive potential equity shares, if any.

h. **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value is material).



i. **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and
- (b) The asset's contractual cash flows represent SPPI.

Financial assets at Fair Value Through Profit or Loss (FVTPL):

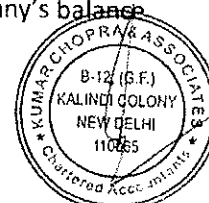
FVTPL is a residual category for financial assets. Any asset, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

Equity investments:

All equity investments, except investments in subsidiaries and associates and non current investment in unquoted equity shares, in scope of Ind AS 109 are measured at fair value, with all changes recognized in the Statement of profit and loss. The investments in shares of subsidiaries and associates valued at cost. Non current investments in unquoted equity shares are measured at fair value, with all changes recognized in the other comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:



- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

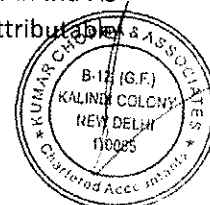
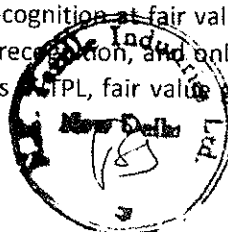
The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as at FVTPL, fair value gains/ losses attributable



to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

h. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

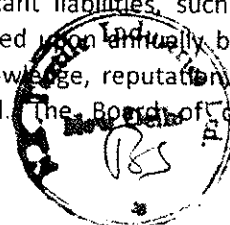
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable;

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after

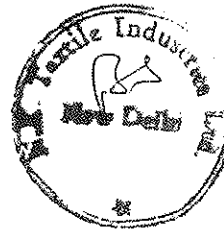


discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The board of directors, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

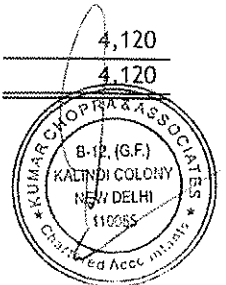


N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

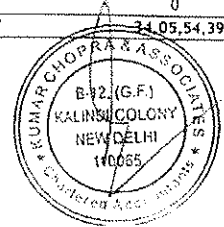
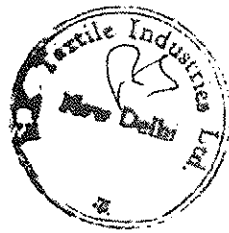
All amounts in INR unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
2 Cash and cash equivalents			
Cash on hand	-	-	-
Balances with Banks			
- In current accounts	1,35,241	5,566	-
	<u>1,35,241</u>	<u>5,566</u>	<u>-</u>
3 Bank balance other than cash and cash equivalents			
Bank deposit with original maturity of more than 12 months	99,00,156	97,84,683	98,38,340
	<u>99,00,156</u>	<u>97,84,683</u>	<u>98,38,340</u>
5 Other Financial Assets			
Interest accrued on bank deposits	1,83,464	2,03,955	1,96,456
	<u>1,83,464</u>	<u>2,03,955</u>	<u>1,96,456</u>
6 Current tax assets (Net)			
Income tax paid (Net of provisions)	55,650	2,15,645	1,51,316
	<u>55,650</u>	<u>2,15,645</u>	<u>1,51,316</u>
7 Other Financial Liabilities			
Audit fee payable	32,400	32,400	15,000
Other expenses payable	94,560	74,428	78,346
	<u>1,26,960</u>	<u>1,06,828</u>	<u>93,346</u>
8 Deferred Tax Liabilities (Net)			
Fair value of financial instruments	10,54,27,266	12,03,97,572	7,44,34,173
	<u>10,54,27,266</u>	<u>12,03,97,572</u>	<u>7,44,34,173</u>
9 Other non financial liabilities			
Statutory dues	3,000	5,400	4,120
	<u>3,000</u>	<u>5,400</u>	<u>4,120</u>



N K Textile Industries Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2020
All amounts in INR unless otherwise stated

	Face Value	As at 31st March, 2020 Quantity	Amount	As at 31st March, 2019 Quantity	Amount	As at 1st April, 2018 Quantity	Amount
4 Investments							
Investment in Equity Instruments, fully paid up, unquoted							
at Fair Valued through other comprehensive income:							
- International Research Park Lab Limited(holding 15%)	10	37,500	3,76,922	37,500	9,95,607	37,500	20,54,625
- K.K.Modi Investment and Financial Services Pvt. Limited (holding 3.17%)	10	37,819	45,75,72,081	37,819	52,15,24,010	37,819	32,36,92,821
Total investments at FVTOCI(a)			45,79,49,003		52,25,19,617		32,57,47,446
at deemed cost							
H.M. Udyog Private Limited- Associate Company (holding 40%)	10	4,00,000	1,03,05,700	4,00,000	1,03,05,700	4,00,000	1,03,05,700
- Rajputana Developers Limited- Subsidiary Company(holding 81.88%)	1	45,00,000	45,01,250	45,00,000	45,01,250	45,00,000	45,01,250
Total investments at deemed cost(b)			1,48,06,950		1,48,06,950		1,48,06,950
Total investments(a+b)			47,27,55,953		53,73,26,567		34,05,54,396
i) Investments in India			47,27,55,953		53,73,26,567		34,05,54,396
ii) Investments outside India			0		0		0
Total investments			47,27,55,953		53,73,26,567		34,05,54,396



10. Equity Share Capital

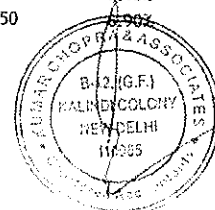
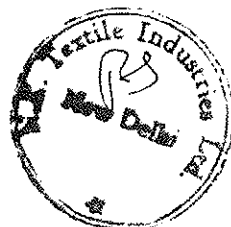
	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Authorised						
Equity Shares of Re 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Preference Shares of Rs. 10/- each	5,00,000	50,00,000	5,00,000	50,00,000	5,00,000	50,00,000
	15,00,000	1,50,00,000	15,00,000	1,50,00,000	15,00,000	1,50,00,000
Issued, subscribed & paid up capital						
Equity Shares of Re 10/- each	8,39,832	83,98,320	8,39,832	83,98,320	8,39,832	83,98,320
	8,39,832	83,98,320	8,39,832	83,98,320	8,39,832	83,98,320

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

Particulars	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Equity Shares outstanding at the beginning of the year	8,39,832	83,98,320	8,39,832	83,98,320	8,39,832	83,98,320
Subscription money received during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	8,39,832	83,98,320	8,39,832	83,98,320	8,39,832	83,98,320

10.2 Details of Equity shareholders holding more than 5% shares in the company

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
K.K.Modi Investment & Financial Services Pvt Ltd	3,73,012	44.42%	3,73,012	44.42%	3,73,012	44.42%
HMA Udyog Private Limited	2,50,000	29.77%	2,50,000	29.77%	2,50,000	29.77%
Azure Prodcets Private Limited	98,720	11.75%	98,720	11.75%	98,720	11.75%
Narayan Sales Private Limited	60,050	7.15%	60,050	7.15%	60,050	7.15%
Trend Agencies Private Limited	57,950	6.90%	57,950	6.90%	57,950	6.90%



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

All amounts in INR unless otherwise stated

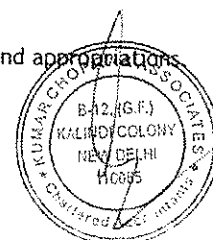
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
11 Other equity			
General Reserve	2,39,71,347	2,39,71,347	2,39,71,347
Statutory reserve	48,065	35,065	35,065
Reserve for equity instruments fair valued through Other Comprehensive Income (FVTOCI)	34,72,10,052	39,68,10,360	24,60,01,588
Retained Earning	(21,54,546)	(21,88,476)	(21,97,451)
	<u>36,90,74,918</u>	<u>41,86,28,296</u>	<u>26,78,10,549</u>
11.1 General Reserve			
Opening Balance	2,39,71,347	2,39,71,347	2,39,71,347
	<u>2,39,71,347</u>	<u>2,39,71,347</u>	<u>2,39,71,347</u>
11.2 Statutory reserve			
Opening Balance	35,065	35,065	35,065
Add: Transfer from profit for the year u/s 45-IC of the Reserve Bank of India Act, 1934	13,000	-	-
	<u>48,065</u>	<u>35,065</u>	<u>35,065</u>
11.3 Reserve for equity instruments fair valued through OCI			
Opening Balance	39,68,10,360	24,60,01,588	-
Add: Net gain on investment at FVTOCI (Net of tax) at transitioin date	(4,96,00,308)	15,08,08,772	24,60,01,588
	<u>34,72,10,052</u>	<u>39,68,10,360</u>	<u>24,60,01,588</u>
11.4 Retained Earning			
Opening balance	(21,88,476)	(21,97,451)	(21,97,451)
Net profit/(Loss) for the current year	46,930	8,975	-
	<u>(21,41,546)</u>	<u>(21,88,476)</u>	<u>(21,97,451)</u>
Less transfer to statutory reserve	(13,000)	-	-
	<u>(21,54,546)</u>	<u>(21,88,476)</u>	<u>(21,97,451)</u>
11.5 Nature and purpose of other equity:			

(i) Amount set aside from retained earnings as a reserve to be utilised for permissible general purposes as per law.

(ii) Statutory Reserve created under section 45-IC of Reserve Bank of India Act, 1934.

(iii) Reserve for financial instruments measured at FVTOCI: The company has elected to recognise changes in fair value of certain investments in equity securities in other comprehensive income.

(iv) Retained Earnings: Retained earnings represents the surplus in statement in profit and loss and appropriations

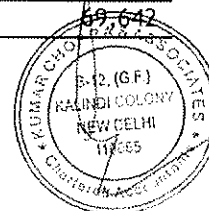
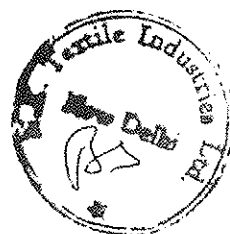


N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

All amounts in INR unless otherwise stated

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
12 Other Income		
Interest on deposit with banks	6,88,867	6,64,674
Miscellaneous Income	10,896	-
	<u>6,99,763</u>	<u>6,64,674</u>
13 Employee benefit expenses		
Salary	2,88,000	2,88,000
	<u>2,88,000</u>	<u>2,88,000</u>
14 Other Expenses		
Advertisement	44,604	31,318
Payment to auditors	35,400	69,642
Dematerialisation Fees	12,632	12,390
Custodian Charges	10,620	-
Listing Fees	64,900	92,505
Professional Fees	1,00,445	97,862
Subscription Charges	11,940	-
Conveyance Expenses	54,000	54,000
Conference Expenses	7,080	-
Miscellaneous Expenses	9,976	7,844
	<u>3,51,597</u>	<u>3,65,561</u>
14.1 Payment to auditors breakup		
- As Auditor	35,400	55,482
- For other services	-	14,160
	<u>35,400</u>	<u>69,642</u>



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

15 Disclosures of transactions with related party as required by Ind AS- 24

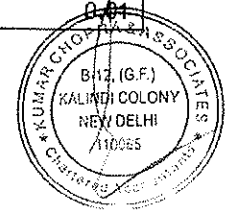
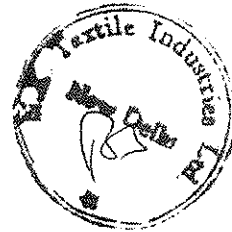
Name of Related parties and nature of relationships:

S.No.	Name of related party	Relationship
1	Rajputana Developers Limited	Subsidiary Company
2	Super Investment (India) Limited	Subsidiary through subsidiary company
3	HMA Udyog Private Limited	Associate company and Company is also an associate of the same
4	K.K.Modi Investment & Financial Services Pvt Ltd	Entity of which Company is an associate
6	Mr. Sunil Agarwal	Director
7	Mr. Balbir Singh	Director
8	Mrs. Beenu Agarwal	Director
9	Mr. Sanjay Kumar Gupta	Director
10	Mr. Anil Kumar Dua	Chief Executive Officer
11	Mr. Surindra Kapoor	Chief Financial Officer
12	Ms. Sheetal Bharti	Company Secretary

There are no transactions with related party during the year.

16 Disclosure as per Ind AS 33 regarding earnings per share:

Particulars	FY 2019-20 (Amount in Rs.)	FY 2018-19 (Amount in Rs.)
Profit for the period	46,930	8,975
Weightage average number of shares (for	8,39,832	8,39,832
Face Value per share	10	10
Earnings per share (Basic and diluted)	0.06	0.01



17. Financial instruments and risk management

Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:

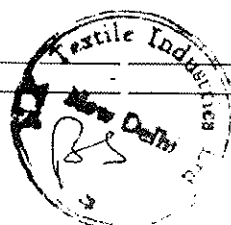
Level 1: Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments and financial instruments valued using models where all significant inputs are observable.

Level 3: valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more significant inputs are unobservable. Equity investments designated under FVTOCI has been valued using the asset approach valuation technique..

The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

As at March 31, 2020	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at amortised cost:					
Cash and cash equivalents	1,35,241	-	-	-	1,35,241
Other bank balances	99,00,156	-	-	-	99,00,156
Other Financial Assets	1,83,464	-	-	-	1,83,464
					0
Financial instruments at Other comprehensive income:					
Investment in					0
-Equity Shares - Unquoted		-	-	47,27,55,953	47,27,55,953
					0
Total financial assets	1,02,18,861	-	-	47,27,55,953	48,29,74,813
Financial liabilities					
Financial instruments at Amortised Cost:					
Other financial liabilities	1,26,960	-	-	-	1,26,960
Total financial liabilities	1,26,960	-	-	-	1,26,960
As at March 31, 2019					
	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at amortised cost:					
Cash and cash equivalents	5,566	-	-	-	5,566
Other bank balances	97,84,683	-	-	-	97,84,683
Other Financial Assets	2,03,955	-	-	-	2,03,955
Financial instruments at Other comprehensive income:					
Investment in					
-Equity Shares - Unquoted		-	-	53,73,26,567	53,73,26,567
Total financial assets	99,94,204	-	-	53,73,26,567	54,73,20,771
Financial liabilities					
Financial instruments at Amortised Cost:					
Other financial liabilities	1,06,828	-	-	-	1,06,828
Total financial liabilities	1,06,828	-	-	-	1,06,828



N K Textile Industries Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2020
(All amounts are in actual INR unless otherwise stated)

Fair value hierarchy (continued)

As at 1st April 2018	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets					
Financial instruments at amortised					
Cash and cash equivalents	-	-	-	-	-
Other bank balances	98,38,340	-	-	-	98,38,340
Other Financial Assets	1,96,456	-	-	-	1,96,456
Financial instruments at Other comprehensive income:					
Investment in					
-Equity Shares - Unquoted	-	-	-	34,05,54,396	34,05,54,396
Total financial assets	1,00,34,796	-	-	34,05,54,396	35,05,89,192
Financial liabilities					
Financial instruments at amortised					
Other financial liabilities	93,346	-	-	-	93,346
Total financial liabilities	93,346	-	-	-	93,346

Note for Financial assets

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants.

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Senior Management.

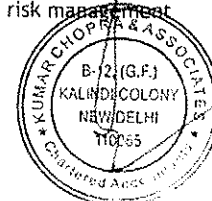
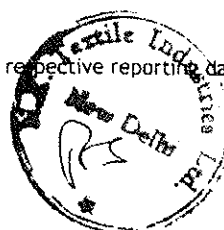
Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Company is not exposed to significant interest rate as at the respective reporting dates.



Credit risk

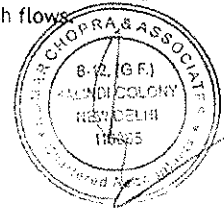
Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there are no significant exposure of credit risk due to the nature of company's business

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.



N K Textile Industries Limited
Notes to Standalone Financial Statements for the year ended 31 March, 2020
(All amounts are in actual INR unless otherwise stated)

18 First-time adoption of Ind AS
18.1 Effect of Ind AS adoption on the balance sheet as at 1st April, 2018 and March 31, 2019

Particulars	Opening Balance Sheet as at 1st April, 2018 (Date of Transition)			Balance sheet as at March 31, 2019 (End of last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
Financial assets						
- Cash and cash equivalents	-	-	-	5,566	-	5,566
- Other bank balances	98,38,340	-	98,38,340	97,84,683	-	97,84,683
- Investments	2,01,18,635	32,04,35,761	34,05,54,396	2,01,18,635	51,72,07,932	53,73,26,567
- Other Financial Assets	1,96,456	-	1,96,456	2,03,955	-	2,03,955
Total financial assets	3,01,53,431	32,04,35,761	35,05,89,192	3,01,12,839	51,72,07,932	54,73,20,771
Non-financial assets						
- Current tax assets (Net)	1,51,316	-	1,51,316	2,15,645	-	2,15,645
Total non financial assets	1,51,316	-	1,51,316	2,15,645	-	2,15,645
Total assets	3,03,04,747	32,04,35,761	35,07,40,508	3,03,28,484	51,72,07,932	54,75,36,416

Particulars	Opening Balance Sheet as at 1st April, 2018 (Date of Transition)			Balance sheet as at March 31, 2019 (End of last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet
LIABILITIES AND EQUITY						
Liabilities						
Financial liabilities						
- Other Payables	93,346	-	93,346	1,06,828.00	-	1,06,828.00
Total financial liabilities	93,346	-	93,346	1,06,828.00	-	1,06,828.00
Non financial liabilities						
- Deferred tax liability	-	7,44,34,173	7,44,34,173	-	12,03,97,572	12,03,97,572
- Other non financial liabilities	4,120	-	4,120	5,400	-	5,400
	4,120	7,44,34,173	7,44,38,293	5,400	12,03,97,572	12,04,02,972
Total liabilities	97,466	7,44,34,173	7,45,31,639	1,12,228	12,03,97,572	12,05,09,800
Equity						
Equity share capital	83,98,320	-	83,98,320	83,98,320	-	83,98,320
Other equity	2,18,08,961	24,60,01,588	26,78,10,549	2,18,17,936	39,68,10,360	41,86,28,296
Total Equity	3,02,07,281	24,60,01,588	27,62,08,869	3,02,16,256	39,68,10,360	42,70,26,616
Total equity and liabilities	3,03,04,747	32,04,35,761	35,07,40,508	3,03,28,484	51,72,07,932	54,75,36,416



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

(All amounts are in actual INR unless otherwise stated)

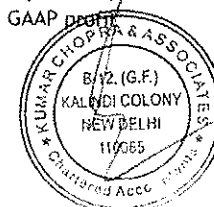
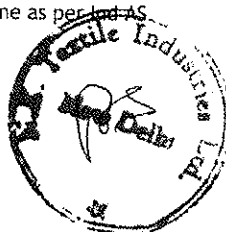
18.2 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2019

Particulars	Year ended 31/3/2019 (Latest period presented under previous GAAP)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
Revenue from operations			
Other income	6,64,674	-	6,64,674
Total income	6,64,674	-	6,64,674
Expenses			
Employee Benefit Expenses	2,88,000	-	2,88,000
Other expenses	3,65,561	(0)	3,65,561
Total expenses	6,53,561	(0)	6,53,561
Profit before tax	11,113	(0)	11,113
Tax expense:			
Current tax	2,138	-	2,138
Deferred tax charge	-	-	-
Profit for the year	8,975	(0)	8,975
Other comprehensive income			
Items that will not to be reclassified to profit or loss			
(i) Gain/(Loss) on equity instruments through other comprehensive income	-	19,67,72,171	19,67,72,171
(ii) Income tax relating to items that are classified in comprehensive income.	-	(4,59,63,399)	(4,59,63,399)
Total other comprehensive income	-	15,08,08,772	15,08,08,772
Total comprehensive income for the year	8,975	15,08,08,772	15,08,17,747

There is no impact of Ind AS adoption on the statement of cash flows for the year ended March 31,

Effect of Ind AS adoption of the other comprehensive income for the year ended March 31, 2019:

Under previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled previous GAAP profit and loss to profit and loss as per Ind AS. Further, previous GAAP profit and loss is reconciled to total comprehensive income as per Ind AS.



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

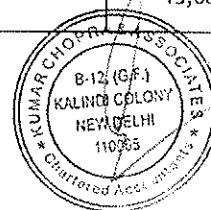
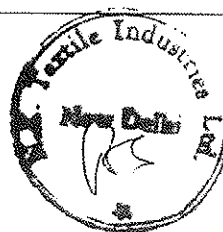
(All amounts are in actual INR unless otherwise stated)

18.3 Reconciliation of total equity as at March 31, 2019 and April 1, 2018

Particulars	Notes to first time adoption	As at April 1, 2018 (Date of transition)	As at March 31, 2019 (End of last period presented under previous GAAP)
Total equity (shareholders' funds) reported under previous GAAP		2,18,08,961	2,18,17,936
Increase/(Decrease) due to Ind AS Adjustments			
Impact of measuring investments at fair value through OCI	(i)	32,04,35,761	51,72,07,932
Deferred tax adjustments on above	(ii)	(7,44,34,173)	(12,03,97,572)
Total adjustment to equity		24,60,01,588	39,68,10,360
Total equity under Ind AS		26,78,10,549	41,86,28,296

Reconciliation of total comprehensive income for the year ended March 31, 2019

Particulars	Notes to first time adoption	Year ended March 31, 2019
Profit after tax as reported under Previous GAAP		8,975
Effects of transition to Ind AS		-
Profit after tax as reported under Ind AS		8,975
Other comprehensive income		
- Gain/(Loss) on equity instruments through other comprehensive income	(i)	19,67,72,171
- Income tax on above	(ii)	(4,59,63,399)
Total Other comprehensive income		15,08,08,772
Total comprehensive income as reported under Ind AS		15,08,17,747



N K Textile Industries Limited

Notes to Standalone Financial Statements for the year ended 31 March, 2020

(All amounts are in actual INR unless otherwise stated)

18.4 Notes to first time adoption

(i) Under the previous GAAP, Long-term investments were carried at cost and related provision for other than temporary decline in the value of such investments were shown in long term provisions. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments aggregating to Rs. 32,04,35,761/- has been recognized in FVTOCI reserve as at the date of transition and subsequently Rs.19,67,72,171/- in the other comprehensive income for the year ended March 31, 2019. Consequent to this change, the amount of investments increased by the same amount as at April 1, 2018 and as at March 31, 2019.

(ii) Deferred tax has been recognised on the adjustments made on transition to Ind AS. The resulting amount of deferred tax liabilities (net of deferred tax assets) recognised on the adjustments due to Ind AS aggregating to Rs.744,34,173/- has been recognised in FVTOCI reserve as at the date of transition and Rs.459,63,399/- in FVTOCI reserve for the year ended March 31, 2019. Consequent to this change, the amount of deferred tax increased by Rs.744,34,173/- as at April 1, 2018 and by Rs.12,03,97,572/- as at March 31, 2019.

- 19 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 - I'.
- 20 The Covid-19 has resulted in a significant decrease in company's financial assets (investment) and the management has considered the effect of the same in the current year financials. Apart from the above, there is no effect on company's financials due to lockdown/covid-19.
- 21 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures including reclassifying interest on bank deposit from 'revenue from operations' to 'other income'

In terms of our report of even date attached

For Kumar Chopra & Associates

Chartered Accountants

Firm Registration NO. 0001511



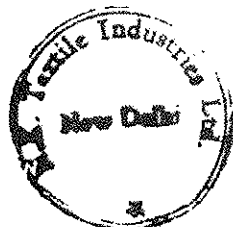
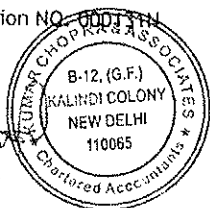
R.K. Aggarwal

Partner

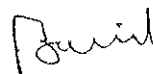
Membership No. 081510

Place: New Delhi

Date: 23 JUL 2020



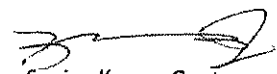
For and on behalf of the Board of Directors



Balbir Singh

Director

DIN No. 00027438



Sanjay Kumar Gupta

Director

DIN No.000027728



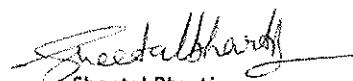
Anil Kumar Dua

Chief Executive Officer



Surindra Kapoor

Chief Financial Officer



Sheetal Bharti

Company Secretary



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF N K TEXTILES INDUSTRIES LIMITED

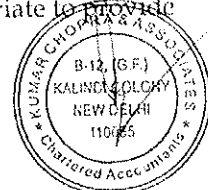
1. Opinion

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 I(II) of the attached consolidated financial statements) comprising of the Consolidated Balance sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), the consolidated Statement of Changes in Equity and 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 Indian accounting standards (Ind AS) specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associate as at March 31, 2020, their consolidated Loss including other comprehensive income, consolidated changes in equity 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 Act. 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. Emphasis of matter

We draw attention to the following notes in the consolidated financial statements:

- i) Note 19(b) which describes uncertainties associated with Covid-19 pandemic.
- ii) Note 1(l) which states that the company's registration as NBFC has been cancelled during the year by RBI and now company operates as Core Investment Company.

~~Our opinion is not modified in respect of these matters.~~

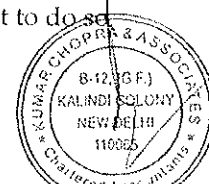
4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Based on our checks and on the basis of information and explanation from the management we have determined that there are no key audit matters to be communicated in our report.

5. 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, Consolidated changes in equity 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. 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.

6. 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, misrepresentations, 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 Act, 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 consolidated financial statements.

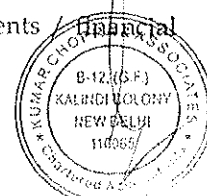
We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore key audit matters. We describe these audit matters in our audit report unless law or regulation precludes public disclosure about the matters and when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matter

We did not audit the financial statements/consolidated financial statements/financial information of one subsidiary(including its subsidiary), whose financial statements/financial information reflect total assets of Rs.36155.34 lakhs as at 31st March, 2020, total revenue of Rs. 380.67 lakhs and net cash flows amounting to Rs.139.09 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. 258.91 lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of one associate, whose financial statements

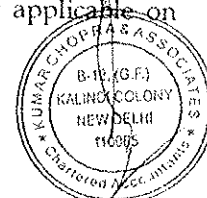


information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included 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.

8. Report on Other Legal and Regulatory Requirements

- I. 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 of other auditors.
 - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the 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 Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 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 is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the 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.

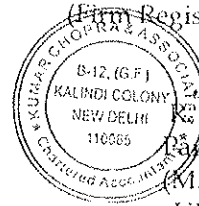


- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The group and its associate does not have pending 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.

II. As required by Section 197(16) of the Act, we report that in our opinion and according to the information and explanations given to us, the holding company and subsidiary company have not paid any managerial remuneration pursuant to provisions of section 197 to the Act.

For Kumar Chopra & Associates
Chartered Accountants

(Firm Registration Number: 000131N)



K. Aggarwal
K. Aggarwal
Partner

(M. No 81510)

UDIN: 20081510AAAACC3193

Place of signature: New Delhi
Date: 23.07.2020

ANNEXURE " A " TO THE INDEPENDENT AUDITORS' REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 8(f) of our report of even date on the consolidated financial statements N K TEXTILES INDUSTRIES LIMITED for the Year ended 31 March, 2020

Report on the Internal Financial Controls with reference to the consolidated financial statements under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of consolidated financial statements of the N K TEXTILES INDUSTRIES LIMITED ("the Holding Company"), as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary company, as of that date.

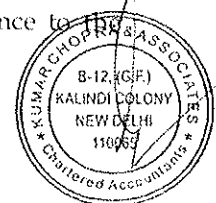
In our opinion, the Holding Company and its subsidiary company have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. (the "Guidance Note")

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 respective 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 (the "Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to



consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

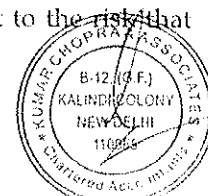
We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in term of their reports referred to in other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls with reference to the consolidated financial statements.

Meaning of Internal Financial Controls with reference to the consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to the consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, 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 with reference to the consolidated financial statements to future periods are subject to the risk that



Kumar Chopra & Associates
Chartered Accountants

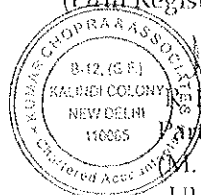
N K Textiles Industries Limited
Consolidated Audit Report FY 2019-20

the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

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 in so far 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.

For Kumar Chopra & Associates
Chartered Accountants
(Firm Registration Number: 000131N)



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

Place of signature: New Delhi
Date: 23.07.2020

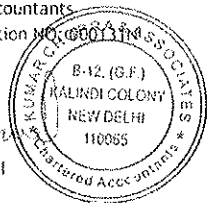
UDIN: 20081510AAAACC3193

N K Textile Industries Limited
 Consolidated Balance Sheet as at 31st March, 2020
 All amounts in INR unless otherwise stated

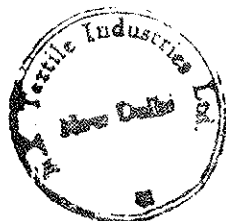
Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
ASSETS				
Financial Assets				
- Cash and cash equivalents	2	1,41,38,279	99,412	1,01,464
- Bank balance Other than cash and cash equivalents	3	3,56,84,581	1,54,16,758	1,18,13,455
- Investments	4	4,59,74,20,759	5,23,21,76,390	3,30,19,64,466
- Other financial assets	5	1,93,464	4,67,043	2,34,789
		<u>4,64,74,37,083</u>	<u>5,24,81,59,603</u>	<u>3,31,41,14,174</u>
Non-financial assets				
- Current tax assets (Net)	6	2,92,203	2,70,170	1,51,316
- Other non financial assets	7	7,41,119	6,99,746	6,61,753
		<u>10,33,322</u>	<u>9,69,916</u>	<u>8,13,069</u>
Total assets		<u>4,64,84,70,405</u>	<u>5,24,91,29,519</u>	<u>3,31,49,27,243</u>
LIABILITIES AND EQUITY				
Financial Liabilities				
- Other financial liabilities	8	2,57,450	2,35,003	2,53,680
- Subordinated Liability	9	11,35,00,000	11,35,00,000	11,35,00,000
		<u>11,37,57,450</u>	<u>11,37,35,003</u>	<u>11,37,53,680</u>
Non Financial Liabilities				
- Current tax liability (net)	10	-	86,971	36,605
- Deferred tax liability (net)	11	78,10,10,710	91,91,94,444	52,68,63,361
- Other non financial liabilities	12	7,200	6,600	9,577
		<u>78,10,17,910</u>	<u>91,92,88,015</u>	<u>52,69,09,543</u>
Total liabilities		<u>89,47,75,360</u>	<u>1,03,30,23,018</u>	<u>64,06,63,223</u>
Equity				
Equity share capital	13	83,98,320	83,98,320	83,98,320
Other equity	14	3,17,67,56,792	3,55,27,42,587	2,25,91,40,827
Equity attributable to owners of the Company		<u>3,18,51,55,112</u>	<u>3,56,11,40,907</u>	<u>2,26,75,39,147</u>
Non Controlling Interests		56,85,39,933	65,49,65,594	40,67,24,873
Total equity		<u>3,75,36,95,045</u>	<u>4,21,61,06,501</u>	<u>2,67,42,64,020</u>
Total liabilities and equity		<u>4,64,84,70,405</u>	<u>5,24,91,29,519</u>	<u>3,31,49,27,243</u>

Notes forming part of the Financial Statements 1-26

In terms of our report attached
 For Kumar Chopra & Associates
 Chartered Accountants
 Firm Registration No. 0001319

Signature

 R.K. Aggarwal
 Partner

Membership No. 081510
 Place: New Delhi
 Date: 23 JUL 2020



For and on behalf of the Board of Directors

Signature

Balbir Singh
 Director
 DIN No. 00027438

Signature

Sanjay Kumar Gupta
 Director
 DIN No. 000027728

Signature

Anil Kumar Dua
 Chief Executive Officer

Signature

Surindra Kapoor
 Chief Financial Officer

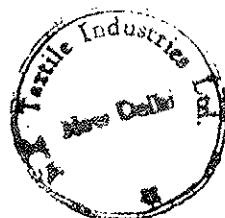
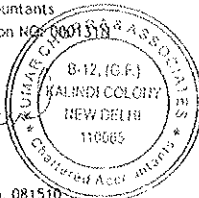
Signature
 Sheetal Bharti
 Company Secretary

N K Textile Industries Limited
 Consolidated Statement of profit and loss for the year ended 31st March, 2020
 All amounts in INR unless otherwise stated

Particulars	Note No.	For the year ended 31st Mar, 2020	For the year ended 31st Mar, 2019
Income			
Revenue from operation	15	3,69,39,702	19,22,73,288
Other income	16	18,27,353	9,62,265
Total Income		3,87,67,055	19,32,35,553
Expenses			
Employee benefit expenses	17	2,88,000	2,88,000
Net loss of fair value of quoted investment		11,72,55,761	-
Other expenses	18	6,93,721	6,79,143
Total Expenses		11,82,37,482	9,67,143
Profit before share of profit of associate and tax		(7,94,70,427)	19,22,68,410
Add: Share of profit of associate		2,58,91,600	5,91,69,600
Profit after share of profit of associate but before tax		(5,35,78,827)	25,14,38,010
Tax expense:			
Current tax for current year		13,236	1,04,175
Current tax for prior period		11,897	(36,990)
Deferred tax		(1,30,20,737)	1,45,74,365
Profit for the period		(4,05,83,223)	23,67,96,460
Other comprehensive income			
Items that will not to be reclassified to profit or loss			
(i) Gain/(Loss) on equity instruments through other comprehensive income		(53,72,06,830)	1,62,10,22,339
(ii) Income tax relating to items that are classified in other comprehensive		12,51,62,998	(37,77,56,719)
(iii) Share in OCI of associates		(97,84,400)	6,17,80,400
Total other comprehensive income - (i-ii)		(42,18,28,232)	1,30,50,46,020
Total comprehensive income for the period		(46,24,11,455)	1,54,18,42,480
Profit for the year attributable to:			
Owners of the Company		(2,10,27,377)	18,87,73,771
Non controlling interest		(1,95,55,846)	4,80,22,689
Other Comprehensive income for the year attributable to:			
Owners of the Company		(35,49,58,418)	1,10,48,27,989
Non controlling interest		(6,68,69,814)	20,02,18,031
Total Comprehensive income for the year attributable to:			
Owners of the Company		(37,59,85,796)	1,29,36,01,760
Non controlling interest		(8,64,25,661)	24,82,40,720
Earning per equity share- basic/diluted (Face value of share - Rs. 10 each)	20	(25.04)	224.78
Notes forming part of the Financial Statements	1-26		

In terms of our report attached
 For Kumar Chopra & Associates
 Chartered Accountants
 Firm Registration No. 0001519

R.K. Aggarwal
 Partner
 Membership No. 081510
 Place: New Delhi
 Date: 23 JUL 2020



For and on behalf of the Board of Directors

Balbir Singh
 Director
 DIN No. 00027438

Anil Kumar Dua
 Chief Executive Officer

Sanjay Kumar Gupta
 Director
 DIN No. 000027728

Surindra Kapoor
 Chief Financial Officer

Sheetal Bharti
 Company Secretary

N K Textile Industries Limited
 Consolidated Cash Flow Statement for the year ended 31st March, 2020
 All amounts in INR unless otherwise stated

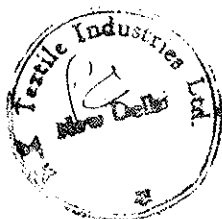
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash flow from operating activities		
Net profit/(loss) before tax	(7,94,70,427)	19,22,68,410
Adjustments:		
Gain/Loss on fair value adjustment of current/quoted investment	11,34,72,486	(17,27,39,585)
Interest Income	(18,15,977)	(9,58,655)
Change in investment	1,83,514	(1,55,00,000)
Change in other non financial assets	(41,373)	(37,993)
Change in other financial liabilities	22,447	(18,677)
Change in other non financial liabilities	600	(2,977)
Cash generated from operations	3,23,51,270	30,10,523
Direct Tax paid	(1,34,136)	(1,35,673)
Net cash flow from operating activities (A)	3,22,17,134	28,74,850
B. Cash Flows from investing activities (B)		
Interest received	20,89,556	7,26,401
Change in other bank balances	(2,02,67,823)	(36,03,303)
Net cash flow from investing activities (B)	(1,81,78,267)	(28,76,902)
C. Cash Flows from financing activities (C)		
Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,40,38,867	(2,052)
Cash and cash equivalents at the beginning of the year	99,412	1,01,464
Cash and cash equivalents at the end of the year	1,41,38,279	99,412
Components of cash and cash equivalents:		
Cash and cheques on hand	-	-
With banks - in current account	1,41,38,279	99,412
	1,41,38,279	99,412

Notes forming part of the Financial Statements


1-26


In terms of our report attached
 For Kumar Chopra & Associates
 Chartered Accountants
 Firm Registration No. 000731N

R.K. Aggarwal
 Partner
 Membership No. 081518
 Place: New Delhi
 Date: 23 JUL 2020

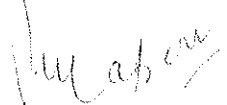


For and on behalf of the Board of Directors


 Balbir Singh
 Director
 DIN No. 00027438


 Sanjay Kumar Gupta
 Director
 DIN No. 000027728


 Anil Kumar Dua
 Chief Executive Officer


 Surindra Kapoor
 Chief Financial Officer


 Sheetal Bharti
 Company Secretary

N K Textile Industries Limited
Consolidated Statement of Changes in Equity for the year ended 31st March, 2020
 All amounts in INR unless otherwise stated

Particular	Amount	
	2019	2020
(a) Equity share capital		
Balance at April 1, 2018	83,98,320	
Changes in equity share capital during the year		
Balance at March 31, 2019	83,98,320	
Changes in equity share capital during the year		
Balance at March 31, 2020	83,98,320	

Particular	General Reserves	Statutory Reserve*	Fair value through Other Comprehensive Income (FYTOCI) Reserve	Retained earnings	Attributable to the owners of the Company	Non Controlling Interest	Total
Balance at April 1, 2018	2,39,71,347	35,065	1,47,10,19,304	76,41,15,111	2,25,91,40,827	40,67,24,873	2,66,58,65,701
Profit for the year	-	-	-	18,87,73,771	18,87,73,771	4,80,22,689	23,67,96,460
Other Comprehensive Income for the year, net of income tax	-	-	1,10,48,27,989	-	1,10,48,27,989	20,02,18,031	1,30,50,46,020
Balance at March 31, 2019	2,39,71,347	35,065	2,57,58,47,293	95,28,88,883	3,55,27,42,587	65,49,65,593	4,20,77,08,181
Profit for the year	-	13,000	-	12,10,27,371	(2,10,14,371)	(1,95,55,846)	(4,05,70,224)
Transfer from profit to statutory reserve	-	-	-	(13,000)	(13,000)	-	(13,000)
Other Comprehensive Income for the year, net of income tax	-	-	(35,49,58,418)	-	(35,49,58,418)	16,66,69,814	(18,82,88,604)
Balance at March 31, 2020	2,39,71,347	48,065	2,22,08,88,874	93,18,48,506	3,17,67,56,792	56,85,39,933	3,74,52,96,725

* Created under section 45-IC of Reserve Bank of India Act, 1934 as a Statutory Reserve.

Notes forming part of the Financial Statements

1-26

In terms of our report attached
 For Kumar Chopra & Associates
 Chartered Accountants

Firm Registration No: 099187



R. K. Agarwal
 Partner

Membership No. 081910
 Place: New Delhi

Date:

23 JUL 2020

For and on behalf of the Board of Directors

Balbir Singh
 Director
 DIN No. 00027438

Anil Kumar Dube
 Chief Executive Officer

Sanjay Kumar Gupta
 Director
 DIN No. 000027720

Surindra Kapoor
 Chief Financial Officer

Sheetal Bhatti
 Company Secretary



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

Note 1:

I. Corporate information

N.K. Textile Industries Limited ('the Company') is a company limited by shares, incorporated in India on 9th February 1983. The Company is fully owned by Indian Shareholders. The addresses of its registered office is Omaxe Square, Plot No. 14, 5th Floor, Jasola, New Delhi-110025. The company's registration as NBFC has been cancelled during the year by RBI vide Order dated October 2019. The Company is a listed, core Investment Company (CIC) in terms of Notification No. DNBR. PD.003/03.10.119/2016-17 dated 25th August, 2016 issued by RBI as amended. Hence, the Company is exempted from Registration as Non-Banking Financial Company.

II. Basis of Consolidation and equity accounting

The consolidated financial statements include financial statements of the following subsidiaries and associate of N K Textile Industries Limited, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements' and Ind As 28 'Investment in Associates and Joint Venture'. The consolidated financial statements comprise financial statements of N K Textile Industries Limited ('the Parent Company') and its subsidiaries and associates (collectively, the 'Group') for the year ended 31st March, 2020.

Name of the company	Country of Incorporation	% of shareholding of Parent Company	Consolidated as
Rajputana Developers Limited (RDL)	India	81.88%	Subsidiary
Super Investment (India) Limited (88.61% subsidiary of RDL)	India	88.61%	Subsidiary
HMA Udyog Private Limited	India	40%	Associate

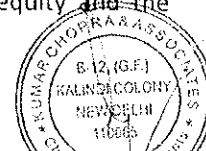
Note: Consolidated financial statement of RDL were considered for consolidation

✓ **Subsidiaries:**

Subsidiaries are all entities over which group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date the control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses and cash flows. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and parent's portion of equity of each subsidiary. Intragroup transactions, balances and unrealized gains or losses on transactions between Group companies are eliminated.

Non-controlling interests in the results and equity of subsidiaries are shown separately in consolidated statement of profit and loss, consolidated statement of change in equity and the consolidated balance sheet respectively.



✓ **Associate:**

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control over those policies. This is generally the case where group holds between 20% to 50% of the voting power. Investment in associates are accounted using the equity method of accounting, after initially being recognised at cost.

III. **(a) Statement of compliance**

The Company is required to adopt Indian Accounting Standards (Ind AS) with effect from financial year 2019-20. Accordingly, these consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(b) First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. For all periods up to and including the year ended 31st March 2019, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 (Indian GAAP). These financial statements for the year ended 31st March 2020 are company's first Ind AS financial statements.

The effect of the Company's transition to Ind AS is summarised in the following notes:

- (i) Transition elections
- (ii) Reconciliation of equity, total comprehensive income, balance sheet, profit and loss and cash flows as reported as per Ind AS in this statement with as reported in previous years as per previous Indian GAAP. (Refer Note 24 for details)

(c) Transition elections

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain mandatory optional exemptions availed by the Company as detailed below.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

Investments in subsidiaries and associates in separate financial statements

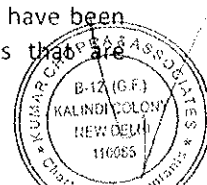
The Company has opted to consider previous GAAP carrying value of investments as deemed cost on transition date for investments in subsidiaries and associates in separate financial statements.

IV. **Basis of preparation and presentation**

a. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements are presented in Indian Rupees. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are



measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

b. Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities.

The Management believes that the estimates used in preparation of the 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.

IV. Significant accounting policies

a. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when (or as) Company satisfies a performance obligation by transferring promised goods and services.

Interest Income

Interest income on fixed deposits is accounted for on accrual basis.

Dividend income

Dividend income from shares/ mutual funds is recognised for when the right to receive it is established.

b. Cash Flow Statement

Cash flow statement is prepared using the indirect method, whereby, profit/(loss) before tax is adjusted for the effects of transition of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing, and financial activities of the Company are segregated based on the available information.

c. Exceptional Items

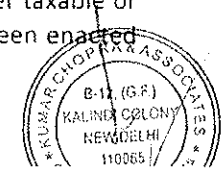
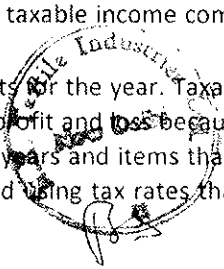
On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

d. Taxation

Current tax

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

The tax currently payable is based on taxable profits for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted



or substantively enacted by the end of the reporting period. Current Tax related to Other Comprehensive Income items are recognised in Other Comprehensive Income schedule.

Deferred tax

Deferred tax resulting from " temporary differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted as on balance sheet date. the deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be realised in future. Deferred tax that relates to items that are recognised in other comprehensive income is recognised in other comprehensive income.

e. Finance Costs

~~Finance costs comprise interest expense on loans and borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the Statement of Profit and Loss using effective interest rate (EIR). Borrowing cost may include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.~~

f. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

g. Earnings per share (EPS)

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. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to dilutive potential equity shares, if any.

h. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value is material).

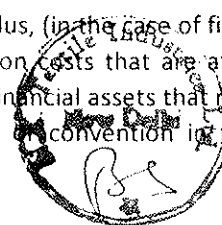
i. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, (in the case of financial assets not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place



(regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial assets at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial asset is classified as at the FVTOCI if both of the following criteria are met unless the asset is designated at fair value through profit or loss under fair value option.

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset, and
- (b) The asset's contractual cash flows represent SPPI.

Financial assets at Fair Value Through Profit or Loss (FVTPL):

FVTPL is a residual category for financial assets. Any asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Equity investments:

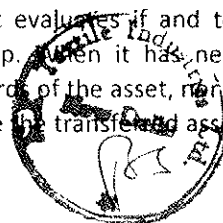
All equity investments, except investments in subsidiaries and associates and non current investment in unquoted equity shares, in scope of Ind AS 109 are measured at fair value, with all changes recognized in the Statement of profit and loss. The investments in shares of subsidiaries and associates valued at cost. Non current investments in unquoted equity shares are measured at fair value, with all changes recognized in the other comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the asset to the extent of the



Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

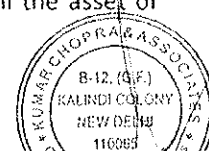
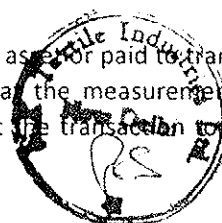
Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

h. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:



- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable;

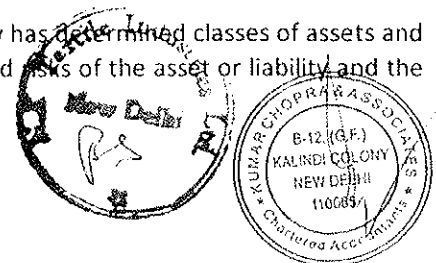
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved, wherever required, for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Board of directors and the selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Board of directors, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the board of directors analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the board of directors verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The board of directors, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

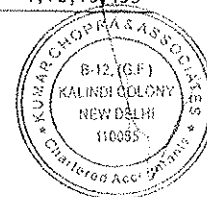


N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

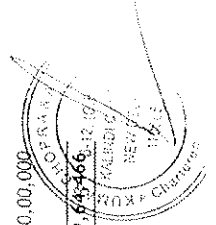
All amounts in INR unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
2 Financial assets- Cash and cash equivalents			
Cash on hand	-	-	-
Balances with Banks			
· In current accounts	1,29,40,615	99,412	1,01,464
· In fixed deposit with bank for a period up to 3 months	11,97,664	-	-
	<u>1,41,38,279</u>	<u>99,412</u>	<u>1,01,464</u>
3 Financial assets- Other bank balances			
Balances with Banks			
· In fixed deposit with bank for a period more than 3 months but less than 12 months	3,56,84,581	1,54,16,758	1,18,13,455
	<u>3,56,84,581</u>	<u>1,54,16,758</u>	<u>1,18,13,455</u>



N K Textile Industries Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2020
All amounts in INR unless otherwise stated

	Face Value	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
4. Investment							
(i) Financial Instruments fair valued through profit and loss							
Equity Shares- quoted							
- Modi Rubber Limited	10	1,26,007	37,10,906	1,26,007	49,89,877	1,26,007	1,06,09,789
- Modi Pon Limited	10	4,60,334	71,12,160	4,60,334	87,23,329	4,60,334	1,16,46,450
- Godfrey Phillips India Limited		5,27,260	49,69,42,550	5,27,260	61,11,47,066	5,27,260	43,30,12,275
- RSWM Limited		264	18,559	264	46,438	264	87,094
- Vardhaman Textiles Limited		294	1,83,942	294	3,17,167	294	3,58,901
Mutual Funds							
- IIFL (India Housing Fund)	10	9,96,651	1,09,14,627	9,96,651	1,03,44,841	9,96,651	99,87,542
- LGT Liquid fund Direct Plan- Growth	10	6,198	1,68,69,377	6,198	1,59,83,137	-	-
- Reliance Liquid Fund - Treasury Plan - Direct Growth Plan		7,423	3,60,06,234	7,423	3,38,62,500	7,423	3,14,72,719
			57,17,58,355		68,54,14,355		49,71,74,770
(ii) Investment in associate accounted as per equity method							
Fully paid up Equity Shares- Unquoted	100						
- HMA Udyog Private Limited- Associate Company (Including share of profit in associate Rs.)		4,00,000	56,47,13,200	4,00,000	54,86,06,000	4,00,000	42,76,56,000
(iii) Financial Instruments fair valued through Other Comprehensive Income							
Fully paid up Equity Shares- Unquoted							
- Modi Industries Limited	10	1,700	1,735	1,700	1,735	1,700	1,735
- Indofit Industries Limited	10	18,37,500	2,88,67,12,500	18,37,500	3,33,21,59,250	18,37,500	1,95,87,75,000
- Modi Distillery & Allied India Pvt. Ltd.		3	30	3	30	3	30
- Willox (India) Limited		6,250	62,500	6,250	62,500	6,250	62,500
- International Research Park Lab Limited	10	37,500	3,76,922	37,500	9,95,607	37,500	20,54,625
- K.K.Modi Investment and Financial Services Pvt. Limited	10	37,819	45,75,72,081	37,819	57,24,010	37,819	32,36,92,821
Partly paid up equity shares- Unquoted							
- Indofit Industries Limited	3	2,04,166	9,62,23,436	2,04,166	12,34,19,903	2,04,166	7,25,46,985
			3,44,09,49,204		3,97,81,56,035		2,35,71,33,696
(iv) Financial Instruments measured at amortised cost							
Preference Shares- Unquoted	10	20,00,000	2,00,00,000	20,00,000	2,00,00,000	20,00,000	2,00,00,000
- RICL 6.25% (NCNCRPS)							
			4,59,74,20,759		5,23,21,76,390		3,30,19,64,466



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

All amounts in INR unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
5 Other financial assets			
Amount Recoverable	1,93,464	3,53,981	2,05,904
Dividend receivable	-	1,13,062	28,885
	<u>1,93,464</u>	<u>4,67,043</u>	<u>2,34,789</u>
6 Current tax assets			
Income tax paid (Net of provisions)	2,92,203	2,70,170	1,51,316
	<u>2,92,203</u>	<u>2,70,170</u>	<u>1,51,316</u>
7 Other Non Financial Assets			
Advance given to Modi Spg. & Wvg Mills Co Ltd	6,37,000	6,37,000	6,37,000
Input CGST/SGST	1,04,119	62,746	24,753
	<u>7,41,119</u>	<u>6,99,746</u>	<u>6,61,753</u>



Notes to Consolidated Financial Statements for the year ended 31 March 2020

All amounts in INR unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
8 Other financial liabilities			
Audit Fees Payable	88,900	62,400	35,000
Internal audit fee payable	-	8,400	5,750
Secretarial audit fee payable	-	17,700	7,500
Other payables	1,68,550	1,46,503	2,05,430
	<u>2,57,450</u>	<u>2,35,003</u>	<u>2,53,680</u>
9 Subordinated Liability (in India)			
Preference shares other than those qualified as equity-6%, non cumulative, non convertible, redeemable Preference shares	11,35,00,000	11,35,00,000	11,35,00,000
	<u>11,35,00,000</u>	<u>11,35,00,000</u>	<u>11,35,00,000</u>
10 Current Tax Liabilities			
Income tax (liabilities) (net)	-	86,971	36,605
	<u>-</u>	<u>86,971</u>	<u>36,605</u>
11 Deferred Tax Liability			
On fair value of Equity share - quoted	(8,24,286)	1,28,14,900	(7,08,572)
On fair value of Equity share - Unquoted	77,98,64,326	90,50,27,321	52,72,70,603
On fair value of mutual funds	19,70,670	13,52,223	3,01,330
	<u>78,10,10,710</u>	<u>91,91,94,444</u>	<u>52,68,63,361</u>
12 Other Non Financial Liabilities			
Statutory dues	7,200	6,600	9,577
	<u>7,200</u>	<u>6,600</u>	<u>9,577</u>



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

All amounts in INR unless otherwise stated

13. Share Capital

Authorised

Equity Shares of Re 10/- each

Preference Shares of Rs. 10/- each

Issued, subscribed & paid up capital

Equity Shares of Re 10/- each

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
	Number of Shares	Number of Shares	Number of Shares
	Amount in Rs.	Amount in Rs.	Amount in Rs.
	10,00,000	10,00,000	10,00,000
	5,00,000	5,00,000	5,00,000
	15,00,000	15,00,000	10,50,00,000
	8,39,832	8,39,832	8,39,832
	83,98,320	83,98,320	83,98,320
	8,39,832	8,39,832	83,98,320

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

Particulars

Equity Shares outstanding at the beginning of the year

Subscription money received during the year

Equity Shares outstanding at the end of the year

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
	Number of Shares	Number of Shares	Number of Shares
	Amount in Rs.	Amount in Rs.	Amount in Rs.
	8,39,832	8,39,832	8,39,832
	83,98,320	83,98,320	83,98,320
	8,39,832	8,39,832	83,98,320

13.2 Details of Equity shareholders holding more than 5% shares in the Company:

Name of shareholder

K.K.Modi Investment & Financial Services Pvt Ltd

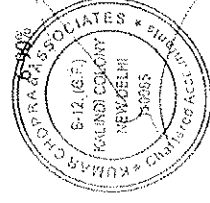
HMA Udyog Private Limited

Azure Products Private Limited

Narayan Sales Private Limited

Trend Agencies Private Limited

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
	Number of Shares	Number of Shares	Number of Shares
	Amount in Rs.	Amount in Rs.	Amount in Rs.
	3,73,012	3,73,012	3,73,012
	44.42%	44.42%	44.42%
	2,50,000	2,50,000	2,50,000
	29.77%	29.77%	29.77%
	98,720	98,720	98,720
	11.75%	11.75%	11.75%
	60,050	60,050	60,050
	7.15%	7.15%	7.15%
	57,950	57,950	57,950
	6.90%	6.90%	6.90%

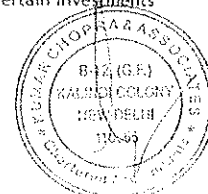


N K Textile Industries Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2020
All amounts in INR unless otherwise stated

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
14 Other equity			
General reserve	2,39,71,347	2,39,71,347	2,39,71,347
Statutory reserve	48,065	35,065	35,065
Reserve for equity instruments fair valued through Other Comprehensive Income (FVTOCI)	2,22,08,88,875	2,57,58,47,293	1,47,10,19,304
Retained Earning	93,18,48,505	95,28,88,882	76,41,15,111
	<u>3,17,67,56,792</u>	<u>3,55,27,42,587</u>	<u>2,25,91,40,827</u>
14.1 General reserve			
Opening Balance	2,39,71,347	2,39,71,347	2,39,71,347
	<u>2,39,71,347</u>	<u>2,39,71,347</u>	<u>2,39,71,347</u>
14.2 Statutory reserve			
Opening Balance	35,065	35,065	35,065
Add: Transfer from profit for the year u/s 45-IC of the Reserve Bank of India Act, 1934	13,000	-	-
	<u>48,065</u>	<u>35,065</u>	<u>35,065</u>
14.3 Reserve for equity instruments fair valued through OCI			
Opening Balance	2,57,58,47,293	1,47,10,19,304	-
Add: Net gain on investment at FVTOCI (Net of tax) at transition date	(35,49,58,418)	1,10,48,27,989	1,47,10,19,304
	<u>2,22,08,88,875</u>	<u>2,57,58,47,293</u>	<u>1,47,10,19,304</u>
14.4 Retained Earning			
Opening balance	95,28,88,882	76,41,15,111	20,06,76,879
Add : Fair value gain on investment in quoted shares	-	-	32,70,30,456
Add : Fair value gain on investment in mutual fund	-	-	6,22,948
Less: Deferred tax	-	-	(3,61,521)
Add : Net profit/(Loss) for the current year	(2,10,27,377)	18,87,73,771	-
Less transfer to statutory reserve	(13,000)	-	-
Add: Ind As adjustment of Associate profit	-	-	23,54,23,307
	<u>93,18,48,505</u>	<u>95,28,88,882</u>	<u>76,41,15,111</u>

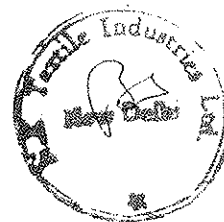
14.5 Nature and purpose of other equity:

- (i) Amount set aside from retained earnings as a reserve to be utilised for permissible general purposes as per law.
- (ii) Reserve created under section 45-IC of Reserve Bank of India Act, 1934 as a Statutory Reserve.
- (iii) Reserve for financial instruments measured at FVTOCI: The company has elected to recognise changes in fair value of certain investments in equity securities in other comprehensive income.
- (iv) Retained Earnings: Retained earnings represents the surplus in statement in profit and loss and appropriations.



N K Textile Industries Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2020
All amounts in INR unless otherwise stated

	For the year ended 31st Mar, 2020	For the year ended 31st Mar, 2019
15 Revenue from operations		
Dividend income	3,31,55,722	1,95,33,703
Profit on sale of current investment	706	-
Net gain on fair value of quoted equity shares	-	16,95,09,368
Net gain on fair value of mutual funds	37,83,274	32,30,217
	<u>3,69,39,702</u>	<u>19,22,73,288</u>
16 Other Income		
Interest on Fixed Deposit	18,15,977	9,58,655
Other	11,376	3,610
	<u>18,27,353</u>	<u>9,62,265</u>
17 Employee benefit expenses		
Salary	2,88,000	2,88,000
	<u>2,88,000</u>	<u>2,88,000</u>
18 Other Expenses		
Filing Fees	12,612	10,800
Bank charges	2,226	2,416
Legal & prof charges	2,10,835	1,88,492
Payment to auditor	94,900	1,29,142
Conveyance Expenses	54,000	-
Dmat Charges	12,632	12,390
Listing fee	64,900	92,505
Custodian Charges	10,620	-
Subscription Charges	11,940	-
Advertisement	44,604	31,318
Rent paid	1,02,000	1,02,000
Misc Expenses	72,452	1,10,080
	<u>6,93,721</u>	<u>6,79,143</u>



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

19 (a) Disclosures of transactions with related party as required by Ind AS- 24

Name of Related parties and nature of relationships:

- (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 Private Limited (Share: 40%)
- (iv) Entity of which Company is an associate: K.K.Modi Investment & Financial Services Pvt Ltd
- (v) Key Managerial Personnel:

1	Mr. Sunil Agarwal	Director
2	Mr. Balbir Singh	Director
3	Mrs. Beenu Agarwal	Director
4	Mr. Sanjay Kumar Gupta	Director
5	Mr. Anil Kumar Dua	Chief Executive Officer
6	Mr. Surindra Kapoor	Chief Financial Officer
7	Ms. Sheetal Bharti	Company Secretary

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

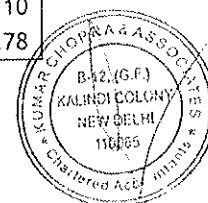
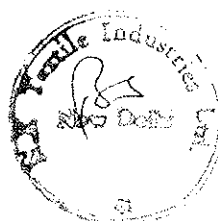
Transactions with related party during the year : NIL

19 (b)

The Covid-19 pandemic continues to spread rapidly across the globe including India. The company is an investing company for the group including in subsidiaries and associate. The company has made assessment of its investments due to current situation resulting in possible diminution in the value of investments. The Covid-19 has resulted in a significant decrease in company's financials assets (investment) and the management has considered the effect of the same in the current year financials. Apart from the above, there is no effect on company's financials due to lockdown covid-19 as on date. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration.

20 Disclosure as per Ind AS 33 regarding earnings per share:

Particulars	FY 2019-20 (Amount in Rs.)	FY 2018-19 (Amount in Rs.)
Profit for the period	(2,10,27,377)	18,87,73,771
Weightage average number of shares (for	8,39,832	8,39,832
Face Value per share	10	10
Earnings per share (Basic and diluted)	(25.04)	224.78



21. Financial instruments and risk management

Fair value hierarchy

The Company determines fair values of its financial instruments according to the following hierarchy:
The following table provides an analysis of financial instruments that are measured at fair value and have been grouped

As at March 31, 2020	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
Financial instruments at Other				
Investment in				
- Equity Shares - Unquoted	3,44,09,49,203			3,44,09,49,203
Financial instruments at FVTPL:				
Investment in				
- Equity Shares - Quoted	50,79,68,117	50,79,68,117		
- Mutual funds	6,37,90,238	6,37,90,238		
Financial instruments at Equity Cost				
- Equity Shares - Unquoted	56,47,13,200			56,47,13,200
Financial instruments at amortised cost:				
Cash and cash equivalents	1,41,38,279			
Other bank balances	3,56,84,581			
Other Financial Assets	1,93,464			
Investment in preference shares	2,00,00,000			
Total financial assets	4,64,74,37,083	57,17,58,355	0	4,00,56,62,403

Financial liabilities

Financial instruments at amortised cost:				
- Subordinated Liability	11,35,00,000			
- Other financial liabilities	2,57,450			
Total financial liabilities	11,37,57,450	-	-	-

As at March 31, 2019	Carrying amount	Level 1	Level 2	Level 3
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Financial assets

Financial instruments at Other				
Investment in				
- Equity Shares - Unquoted	3,97,81,56,035			3,97,81,56,035
Financial instruments at FVTPL:				
Investment in				
- Equity Shares - Quoted	62,52,23,877	62,52,23,877		
- Mutual funds	6,01,90,478	6,01,90,478		
Financial instruments at Equity Cost				
- Equity Shares - Unquoted	54,86,06,000			54,86,06,000
Financial instruments at amortised cost:				
Cash and cash equivalents	99,412			
Other bank balances	1,54,16,758			
Other Financial Assets	4,67,043			
Investment in preference shares	2,00,00,000			
Total financial assets	5,24,81,59,603	68,54,14,355	0	4,52,67,62,035

Financial liabilities

Financial instruments at amortised cost:				
- Subordinated Liability	11,35,00,000			
- Other financial liabilities	2,35,003			
Total financial liabilities	11,37,35,003	-	-	-



N K Textile Industries Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2020
(All amounts are in actual INR unless otherwise stated)

Fair value hierarchy (continued)

As at March 31, 2018	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
Financial instruments at Other comprehensive				
Investment in				
-Equity Shares - Unquoted	2,35,71,33,696			2,35,71,33,696
Financial instruments at FVTPL:				
Investment in				
-Equity Shares - Quoted	45,57,14,509	45,57,14,509		
- Mutual funds	4,14,60,261	4,14,60,261		
Financial instruments as per equity method				
-Equity Shares - Quoted	42,76,56,000			42,76,56,000
Financial instruments at amortised cost:				
Cash and cash equivalents	1,01,464			
Other bank balances	1,18,13,455			
Other Financial Assets	2,34,789			
Investment in preference shares	2,00,00,000			
Total financial assets	3,31,41,14,174	49,71,74,770	0	2,78,47,89,696
Financial liabilities				
Financial instruments at amortised cost:				
- Borrowings	11,35,00,000			
-Other financial liabilities	2,53,680			
Total financial liabilities	11,37,53,680			

Note for Financial assets

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by its Senior Management.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, deposits and foreign currency receivables, payables, loans and borrowings.

The Company manages market risk through its finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Senior Management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest in order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the finance department undertakes the interest rate risk management exercise from time to time.

The Company is not exposed to significant interest rate as at the respective reporting date



Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivables.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss in the subsequent reporting period. The management believes that there are no significant exposure of credit risk due to the nature of company's business.



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

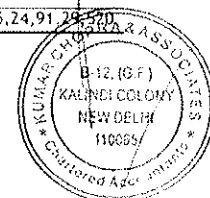
(All amounts are in actual INR unless otherwise stated)

22. First-time adoption of Ind AS

Effect of Ind AS adoption on the balance sheet as at 1st April, 2018 and March 31, 2019

Particulars	Opening Balance Sheet as at 1st April, 2018 (Date of Transition)			Balance sheet as at March 31, 2019 (End of last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
Financial assets						
- Cash and cash equivalents	74,181	27,283	1,01,464	99,413	-	99,413
- Other bank balances	1,18,40,738	(27,283)	1,18,13,455	1,54,16,758	-	1,54,16,758
- Investments	34,44,56,236	2,95,75,08,230	3,30,19,64,466	39,53,23,263	4,83,68,53,127	5,23,21,76,390
- Other financial assets	2,05,904	28,885	2,34,789	3,53,981	1,13,062	4,67,043
total financial assets	35,65,77,059	2,95,75,37,115	3,31,41,14,174	41,11,93,415	4,83,69,66,189	5,24,81,59,604
Non-financial assets						
- Current tax assets (Net)	3,95,901	(2,44,585)	1,51,316	2,70,170	-	2,70,170
- Deferred tax assets	442	(442)	-	-	-	-
- Other non financial assets	1,01,57,109	(94,95,356)	6,61,753	1,01,95,102	(94,95,356)	6,99,746
Total non financial assets	1,05,53,452	(97,40,383)	8,13,069	1,04,65,272	(94,95,356)	9,69,916
Total assets	36,71,30,511	2,94,77,96,732	3,31,49,27,243	42,16,58,687	4,82,74,70,833	5,24,91,29,520

Particulars	Opening Balance Sheet as at 1st April, 2018 (Date of Transition)			Balance sheet as at March 31, 2019 (End of last period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet
LIABILITIES AND EQUITY						
Liabilities						
Financial liabilities						
- Other financial liabilities	2,53,680	-	2,53,680	2,35,003	-	2,35,003
- Borrowings	-	11,35,00,000	11,35,00,000	-	11,35,00,000	11,35,00,000
Total financial liabilities	2,53,680	11,35,00,000	11,37,53,680	2,35,003	11,35,00,000	11,37,35,003
Non financial liabilities						
- Current tax liability	2,81,190	(2,44,585)	36,605	86,971	-	86,971
- Deferred tax liability	-	52,68,63,361	52,68,63,361	-	91,91,94,444	91,91,94,444
liabilities	9,577	-	9,577	6,600	-	6,600
	2,90,767	52,66,18,776	52,69,09,543	93,571	91,91,94,444	91,92,88,015
Total liabilities	5,44,447	64,01,18,776	64,06,63,223	3,28,574	1,03,26,94,444	1,03,30,23,018
Equity						
Equity share capital	83,98,320	-	83,98,320	83,98,320	-	83,98,320
Other equity	34,76,45,016	1,91,14,95,811	2,25,91,40,827	39,91,67,119	3,15,35,75,468	3,55,27,42,587
Total equity attributable to owners	35,60,43,336	1,91,14,95,811	2,26,75,39,147	40,75,65,439	3,15,35,75,468	3,56,11,40,907
Non Controlling interest	1,05,42,728	39,61,82,145	40,67,24,873	1,37,64,673	64,12,00,921	65,49,65,594
Total Equity	36,65,86,064	2,30,76,77,957	2,67,42,64,021	42,13,30,112	3,79,47,76,389	4,21,61,06,501
Total equity and liabilities	36,71,30,511	2,94,77,96,732	3,31,49,27,243	42,16,58,686	4,82,74,70,834	5,24,91,29,520



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in actual INR unless otherwise stated)

23 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2019

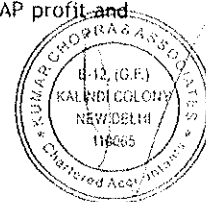
Particulars	Year end 31/3/2019 (Latest period presented under previous GAAP)		
	Previous GAAP	Adjustments	Ind AS
Revenue from operations	1,95,33,703	17,27,39,585	19,22,73,288
Other income	9,62,265	-	9,62,265
Total income	2,04,95,968	17,27,39,585	19,32,35,553
Expenses			
Employee Benefit Expenses	2,88,000	-	2,88,000
Other expenses	6,50,700	28,443	6,79,143
Total expenses	9,38,700	28,443	9,67,143
Profit before tax	1,95,57,268	17,27,11,142	19,22,68,410
Tax expense:			
Current tax	1,04,175	-	1,04,175
Current tax expense relating to prior years	(36,990)	-	(36,990)
Deferred tax charge	-	1,45,74,365	1,45,74,365
	67,185	1,45,74,365	1,46,41,550
Add: Share of Net profit/ (Loss) of Associates	3,52,53,965	2,39,15,635	5,91,69,600
Profit for the year	5,47,44,048	18,20,52,412	23,67,96,460
Other comprehensive income			
Items that will not to be reclassified to profit or loss			
(i) Gain/(Loss) on equity instruments through other comprehensive income	-	1,62,10,22,339	1,62,10,22,339
(ii) Income tax relating to items that are classified in comprehensive income.	-	(37,77,56,719)	(37,77,56,719)
(iii) Share in OCI of associates		6,17,80,400	6,17,80,400
Total other comprehensive income	-	1,30,50,46,020	1,30,50,46,020
Total comprehensive income for the year	5,47,44,048	1,48,70,98,432	1,54,18,42,480

Effect of Ind AS adoption of the statement of cash flows for the year ended March 31, 2019:

The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

Effect of Ind AS adoption of the other comprehensive income for the year ended March 31, 2019:

Under previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled previous GAAP profit and loss to profit and loss as per Ind AS. Further, previous GAAP profit and loss is reconciled to total comprehensive income as per Ind AS.



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

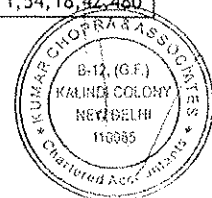
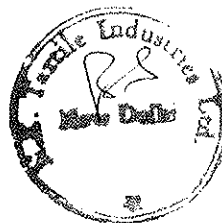
(All amounts are in actual INR unless otherwise stated)

24 Reconciliation of total equity as at March 31, 2019 and April 1, 2018

Particulars	Notes to first time adoption	As at April 1, 2018 (Date of transition)	As at March 31, 2019 (End of last period presented under previous GAAP)
Total equity (shareholders' funds) reported under previous GAAP		34,76,45,016	39,91,67,119
Increase/(Decrease) due to Ind AS Adjustments			
Impact of measuring investments at fair value through profit and loss	(i)	44,96,15,065	62,23,25,765
Deferred tax adjustments on above	(ii)	4,06,800	(1,41,67,123)
Impact of measuring investments at fair value through OCI	(i)	2,27,24,98,743	3,89,35,21,082
Deferred tax adjustments on above	(ii)	(52,72,70,603)	(90,50,27,321)
Amalgamation reserve reclassified as subordinate debt on transition to IND AS		(11,35,00,000)	(11,35,00,000)
Goodwill under IGAAP impaired on Transition date		(94,95,356)	(94,95,356)
Ind AS adjustment in share of profit of associate		23,54,23,307	32,11,19,342
Non Controlling Interest : Over and above already recognised in IGAAP		(39,61,82,145)	(64,12,00,921)
Total adjustment to equity		1,91,14,95,811	3,15,35,75,468
Total equity under Ind AS		2,25,91,40,827	3,55,27,42,587

Reconciliation of total comprehensive income for the year ended March 31, 2019

Particulars	Notes to first time adoption	Year ended March 31, 2019
Profit after tax as reported under Previous GAAP		5,47,44,048
Effects of transition to Ind AS:		
- Impact of measuring investments at fair value through profit and loss	(i)	17,27,10,700
- Tax adjustments	(ii)	(1,45,73,923)
- Share of net profit of Associate		2,39,15,635
Profit after tax as reported under Ind AS		23,67,96,460
Other comprehensive income		
- Gain/(Loss) on equity instruments through other comprehensive income	(i)	1,62,10,22,339
- Income tax on above	(ii)	(37,77,56,719)
- Share of OCI of Associate		6,17,80,400
Total Other comprehensive income		1,30,50,46,020
Total comprehensive income as reported under Ind AS		1,54,18,42,480



N K Textile Industries Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2020

(All amounts are in actual INR unless otherwise stated)

25 Notes to first time adoption

(i) Under the previous GAAP, investment in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments aggregating to Rs. 44,96,15,064/- and Rs. 227,24,98,743/- have been recognized in retained earnings and FVTOCI reserve respectively as at the date of transition and subsequently Rs. 17,27,11,142/- and Rs. 162,10,22,339/- in the profit and loss and other comprehensive income respectively for the year ended March 31, 2019. Consequent to this change, the amount of investments increased by Rs. 2,95,75,08,230/- as at April 1, 2018 and by Rs. 4,83,68,53,127/- as at March 31, 2019.

(ii) Deferred tax has been recognised on the adjustments made on transition to Ind AS. The resulting amount of deferred tax liabilities (net of deferred tax assets) recognised on the adjustments due to Ind AS aggregating to Rs. (-)406,801/- and Rs. 52,72,70,603/- has been recognised in retained earnings and FVTOCI reserve as at the date of transition and Rs. 145,73,923/- and Rs. 37,77,56,719/- in profit and loss and FVTOCI reserve for the year ended March 31, 2019. Consequent to this change, the amount of deferred tax liability increased by Rs. 52,68,63,360/- as at April 1, 2018 and by Rs. 91,91,94,443/- as at March 31, 2019.

(iii) Under previous GAAP, Amalgamation reserve represents preference shares issued to non controlling interest which under Ind AS has been classified as subordinated liability under financial liabilities.

(iv) Goodwill under previous IGAAP financial statement amounting to INR 94,95,356 has been impaired on date of transition to IND AS (April 1, 2018).

(iv) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures including reclassifying interest on bank deposit from 'revenue from operations' to 'other income'.



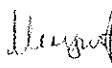
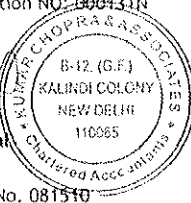
N K Textile Industries Limited
Notes to Consolidated Financial Statements for the year ended 31 March 2020
 (All amounts are in actual INR unless otherwise stated)

26 Disclosure in terms of Schedule III of Companies Act

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in Other comprehensive income (OCI)		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit/(loss)	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total comprehensive Income	Amount
Parent Company N K Textile Industries Limited	11.39%	36,26,66,287	-0.22%	46,929	13.97%	(4,96,00,309)	13.18%	(4,95,53,380)
Subsidiaries (Indian)								
Rajputana Developers Limited	69.78%	2,22,25,59,806	-66.02%	1,38,82,384	98.54%	(34,97,62,225)	89.33%	(33,58,79,840)
Super Investment (India) Limited	18.96%	60,37,55,756	382.38%	(8,04,04,135)	3.57%	(1,26,81,300)	24.76%	(9,30,85,434)
Non Controlling interest in all subsidiaries	-17.85%	(56,85,39,933)	-93.00%	1,95,55,846	-18.84%	6,68,69,814	-22.99%	8,64,25,661
Associates								
HMA Udyog Private Limited	17.73%	56,47,13,200	123.13%	2,58,91,600	2.76%	(97,84,400)	-4.28%	1,61,07,200
	100.00%	3,18,51,55,116	100.00%	(2,10,27,374)	100.00%	(35,49,58,419)	100.00%	(37,59,85,793)

In terms of our report attached

For Kumar Chopra & Associates
 Chartered Accountants
 Firm Registration NO: 000431N



R.K. Aggarwal
 Partner
 Membership No. 081510

Place: New Delhi
 Date:

23 JUL 2020

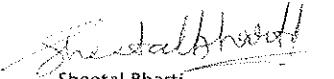
For and on behalf of the Board of Directors

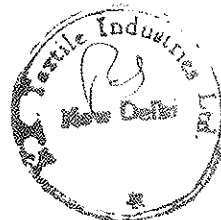

Balbir Singh
 Director
 DIN No. 00027438

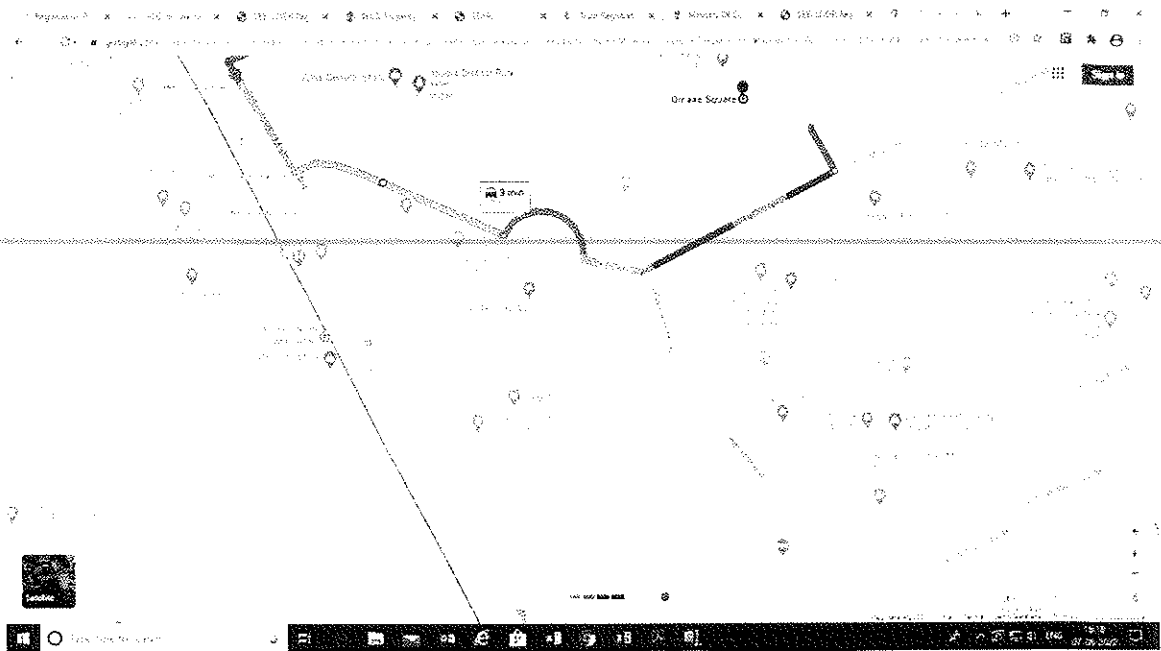

Sanjay Kumar Gupta
 Director
 DIN No. 000027728


Anil Kumar Dua
 Chief Executive Officer


Surindra Kapoor
 Chief Financial Officer


Sheetal Bharti
 Company Secretary





Route Map from
Red light in front of Appollo Hospital
to Omaxe Square