

INDEPENDENT AUDITOR'S REPORT

To

The Members of Loyal International Sourcing Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Loyal International Sourcing Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The company's Board of Directors is responsible for the other information. The other information comprises the management report, its annexures, but does not include the standalone Financial Statements and our Audit Report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is



materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement of this other information, based on the work we have performed, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
- the Company does not have any pending litigations which would impact its financial position.
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company



For Suri & Co
Chartered Accountants
Firm Regn. No. 04283S


(P Prasanna)

Partner

Membership No. 228180
UDIN : 21228180AAAAGN3732

Place: Chennai
Date: 14-7-2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

- (i) a) The company has maintained proper records showing full particulars including situation of its fixed assets.
b) According to the information and explanations given to us, the fixed assets at all locations have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
c) The company does not have any immovable properties.
- (ii) The company did not possess physical inventory at any time during the year.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loan, secured or unsecured to the companies, firms, limited liability partnership or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The company has not granted any loans, made any investments or provided any guarantee or security to the parties covered under Section 185 and Section 186 of the Act.
- (v) The company has not accepted any deposit from public during the year in accordance with the provisions of Section 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013, for any of the service rendered by the company.
- (vii) a) According to the information and explanations given to us, the company has been regular in depositing, undisputed statutory dues including income-tax, sales-tax, service tax, duty of customs, value added tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues payable in respect of above which were outstanding as at 31st March 2021 for a period of more than six months from the date they became due, except for service tax payable of Rs.12,633/-
b) According to the information and explanations furnished to us, there are no dues of income tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us the company has not defaulted in repayment of dues to financial institutions or banks or government. The company has not issued any debenture.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or the company did not take term loan during the year.
- (x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid remuneration to any of the director during the year.
- (xii) The Company not being a Nidhi company, the requirements of paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Chennai
Date : 14-7-2021



For Suri & Co.
Chartered Accountants
Firm Regn. No. 004283S


P. Prasanna

Partner

M.No.228180

UDIN : 21228180AAAAGN3732

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Loyal International Sourcing Private Limited as on March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 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.

Auditor's Responsibility:

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained 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 financial statements for external purposes in accordance with generally



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion:

In our opinion, the 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Chennai
Date : 14-7-2021



For Suri & Co.
Chartered Accountants
Firm Regn. No. 004283S


P Prasanna

Partner

M.No.228180

UDIN : 21228180AAAAGN3732

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED
AUDITED BALANCE SHEET AS AT 31.03.2021

(Amount in Rs)

	Particulars	Note No.	31.03.2021	31.03.2020
	ASSETS			
1.	Non-current assets			
	(a) Property, Plant and Equipment		-	-
	(b) Loans		-	-
2.	Current assets			
	(A) Financial Assets			
	(a) Trade receivable	1	38,15,478	38,15,478
	(b) Cash and cash equivalents	2	5,07,099	5,07,808
	(c) Loans	3	10,52,392	10,52,392
	(B) Other Current Assets	4	3,90,441	3,90,441
	Total Assets		57,65,411	57,66,120
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	5	2,00,000	2,00,000
	(b) Other Equity	6	(1,19,75,723)	(1,19,10,115)
	LIABILITIES			
1.	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			
	(b) Provisions			
2.	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	7	1,64,99,941	1,64,35,041
	(ii) Trade payables	8	95,651	95,651
	(b) Other current liabilities	9	9,45,542	9,45,542
	(c) Provisions		-	-
	Total Equity and Liabilities		57,65,411	57,66,120

See accompanying notes to the financial statements
Vide our Report of even date attached

For Suri & Co
Chartered Accountants
Firm Regn. No:0042835

For and on behalf of the Board

P. Prasanna
Partner
M.No.228180



Valli M Ramaswami
(Director)

P. Manivannan
(Director)

Place: Chennai
Date: 14-07-2021
UDIN: 21228180AAAAGN3732

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2021

(Amount in Rs)

	Particulars	Note No.	31.03.2021	31.03.2020
I	Revenue from Operations		-	-
II	Other Income		-	-
III	Total Income (I+II)			
IV	EXPENSES			
	Purchases of Stock-in-Trade		-	-
	Employee benefits expense		-	-
	Depreciation and amortization expense		-	-
	Other expenses	10	65,608	96,457
	Total expenses (IV)		65,608	96,457
V	Profit/(loss) before exceptional items and tax (I- IV)		(65,608)	(96,457)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(65,608)	(96,457)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit/(loss) from after tax (VII-VIII)		(65,608)	(96,457)
X	Other Comprehensive Income			
XI	Total Comprehensive Income for the period (IX+X)		(65,608)	(96,457)
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		(3.28)	(4.82)
	(2) Diluted		(3.28)	(4.82)

See accompanying notes to the financial statements
Vide our Report of even date attached

For Suri & Co
Chartered Accountants
Firm Regn. No:004283S

For and on behalf of the Board


P. Prasanna
Partner
M.No.228180




Valli M Ramaswami
(Director)


P. Manivannan
(Director)

Place: Chennai
Date: 14-07-2021
UDIN: 21228180AAAAGN3732

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2021

(Amount in Rs)


Particulars	31.03.2021	31.03.2020
Cash flow from Operating Activities		
Net profit before Taxation and Extraordinary items but after Comprehensive income	(65,608)	(96,457)
Adjustments for Non cash and Non Operating Items		
Depreciation	-	-
Interest expenses	-	-
Creditors Written Back	-	-
Provisions Written Back	-	-
Loss on sale of Property, Plant and Equipment	-	-
Operating Profit before working profit changes	(65,608)	(96,457)
Changes in working capital		
Increase/(Decrease) in provisions	-	-
Increase/(Decrease) in Trade payables	-	-
Increase/(Decrease) in other current liabilities	-	5,000
(Increase)/Decrease in Trade receivable	-	-
(Increase)/Decrease in Short-Term Loans and advances	-	-
(Increase)/Decrease in Other Current assets	-	15,000
Cash flow before Taxation and Extraordinary items	(65,608)	(76,457)
Less: Taxes paid (net)	-	-
I Net Cash Flow from Operating Activities	(65,608)	(76,457)
Cash flow from Investing Activities		
Sale of Fixed Asset	-	-
Purchase of Fixed Asset	-	-
II Net Cash Flow from Investing Activities	-	-
Cash Flow from Financing Activities		
Borrowings from / (Repayment to) Holding company	64,900	(16,09,250)
III Net Cash Flow from Financing Activities	64,900	(16,09,250)
IV Net increase/(decrease) in cash and Cash Equivalents [I+II+III]	(708)	(16,85,707)
V Cash and Cash Equivalents at the beginning of the period	5,07,808	21,93,515
VI Cash and Cash Equivalents at the end of the period	5,07,099	5,07,808

For Suri & Co

For and on behalf of the Board

Chartered Accountants

Firm Regn. No:0042835


P Prasanna
Partner
M.No.228180




Valli M Ramaswami
(Director)


P. Manivannan
(Director)

Place: Chennai

Date: 14-07-2021

UDIN: 21228180AAAAGN3732

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED
Statement of Changes in Equity for the period Ended 31.03.2021

A. Equity Share Capital

(Amount in Rs)

For the period ended 31.03.2021

Balance as at 01.04.2020	Changes in equity share capital during the year	Balance as at 31.03.2021
2,00,000	-	2,00,000

For the year ended 31.03.2020

Balance as at 01.04.2019	Changes in equity share capital during the year	Balance as at 31.03.2020
2,00,000	-	2,00,000

B. Other Equity

	Reserves and Surplus	Other Comprehensive Income	Total
	Profit and Loss Account		
Balance as at 01.04.2019	(1,18,13,658)	-	(1,18,13,658)
Profit for the year	(96,457)	-	(96,457)
Total comprehensive income for the year	-	-	-
Balance as at 31.03.2020	(1,19,10,115)	-	(1,19,10,115)
Profit for the period	(65,608)	-	(65,608)
Balance as at 31.03.2021	(1,19,75,723)	-	(1,19,75,723)
Total comprehensive income for the year	-	-	-
Balance as at 31.03.2021	(1,19,75,723)	-	(1,19,75,723)

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED

(Amount in Rs)

Note 1: Trade receivables

Particulars	31.03.2021	31.03.2020
Unsecured considered good	38,15,478	38,15,478
	38,15,478	38,15,478

Note 2: Cash and Cash Equivalents

Particulars	31.03.2021	31.03.2020
Balance with banks - In current account	3,63,993	3,64,701
Cash in hand	1,43,106	1,43,107
	5,07,099	5,07,808

Note 3: Loans

Particulars	31.03.2021	31.03.2020
Unsecured considered good		
Security Deposits	20,500	20,500
Loans and Advance to Staff	4,71,902	4,71,902
Advance to Retainer	5,59,990	5,59,990
	10,52,392	10,52,392

Note 4: Other Current Assets

Particulars	31.03.2021	31.03.2020
Advance recoverable in cash and in kind	3,90,441	3,90,441
Total	3,90,441	3,90,441

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED

Note 5: Equity Share Capital

A) Authorised, Issued, Subscribed and Paid up Share capital and face value per share

Particulars	31.03.2021	31.03.2020
Authorised: 1,00,000 Equity Shares of Rs. 10 each	10,00,000	10,00,000
Issued, Subscribed & Paid-up: 20,000 equity shares of Rs. 10 each	2,00,000	2,00,000
Total	2,00,000	2,00,000

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	31.03.2021	31.03.2020
Outstanding as at the beginning of the year	20,000	20,000
Outstanding as at the end of the year	20,000	20,000

(C) Rights, preferences and restrictions attaching to various classes of shares

Class of shares	Rights, preferences and restrictions attaching to the class of shares including restrictions on distribution of dividend and repayment of capital	Rights, preferences and restrictions attaching to the class of shares including restrictions on distribution of dividend and repayment of capital
Equity shares	Only usual rights and no specific restriction	Only usual rights and no specific restriction

(D) Number of Shares in the company held by Holding Company in aggregate

Particulars	31.03.2021	31.03.2020
Loyal Textile Mills Limited (Holding Company)	20,000	20,000

(E) Shares in the company held by each shareholder holding more than 5% shares

Particulars	31.03.2021	31.03.2020
Loyal Textile Mills Limited (Holding Company)	20,000	20,000

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED

Note 6: Other Equity

Particulars	31.03.2021	31.03.2020
Surplus in Statement of Profit and Loss		
Opening balance	(1,19,10,115)	(1,18,13,658)
Add: Profit/(loss) for the period	(65,608)	(96,456.96)
Closing Balance	(1,19,75,723)	(1,19,10,115)

Note 7: Borrowings(Current)

Particulars	31.03.2021	31.03.2020
Due to Holding Company	1,63,99,941	1,63,35,041
Security Deposit from Director	1,00,000	1,00,000
Total	1,64,99,941	1,64,35,041

Note 8: Trade payables

Particulars	31.03.2021	31.03.2020
Outstanding due of creditors other than MSMED	95,651	95,651
Total	95,651	95,651

Note 9: Other current liabilities

Particulars	31.03.2021	31.03.2020
Expenses payable	9,35,912	9,35,912
Advance Received against supplies	9,630	9,630
Total	9,45,542	9,45,542

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED

(Amount in Rs)

Note 10: Other expenses

Particulars	31.03.2021	31.03.2020
Bank charges	708	708
Statutory auditors:		
- As Auditors	50,000	50,000
- For tax matters & others	5,000	15,000
- Goods & Service Tax	9,900	11,700
	-	14,750
Legal, Professional and consultancy charges	-	
Bad debts	-	
Miscellaneous expenses	-	4,299
	65,608	96,457

LOYAL INTERNATIONAL SOURCING PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2021

OTHER NOTES:

(Amount in Rs)

1) Contingent Liabilities and Commitment (To the extent not provided for)(Ind AS 37)

	31.03.2021	31.03.2020
i) Contingent Liabilities	-	-
ii) Capital Commitment:	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
TOTAL	-	-

2) Related Party Transaction:

Name	Nature of relationship	Nature of transaction	Transaction during period	Credit Balance Outstanding as on 31.03.2021
Loyal Textile Mills Limited	Holding Company	Financial	64,900	1,63,99,941

Employee benefits (Ind AS 19):

3) The provisions of The Employee's Provident Funds and Miscellaneous Provisions Act, 1952 and Payment for Gratuity Act, 1972 do not apply to the Company as the number of employees are less than the limits prescribed under those Acts.

4) EARNINGS PER SHARE (Ind AS 33)

	31.03.2021	31.03.2020
(a) Opening / Closing number of shares	20,000.00	20,000.00
(b) Profit / Loss after Tax Expense	(65,608.00)	(96,456.96)
(c) Earnings per share (Rs.)	(3.28)	(4.82)
(d) Face value of shares (Rs.)	10.00	10.00

Income Taxes (Ind AS 12):

5) The Company has not recognised the effect of deferred tax asset in the Financial Statements considering the prudence.

Due to Micro, Small and Medium Enterprises

6) Based on the information available with the Company, the principal amount due to Micro Small and Medium Enterprises as on 31.03.2021 is Rs. Nil. There has been no overdue principal amount and therefore no interest is paid / payable.

Operating segments (Ind AS 108):


7) The company operates only in one business segment i.e., consignment sales and hence there is no separate reportable

For Suri & Co
Chartered Accountants
Firm Regn. No:0042835


P. Prasanna
Partner
Memb. No: 228180




Valli M Ramaswami
(Director)


P. Manivannan
(Director)

For and on behalf of the Board

Place: Chennai
Date: 14-07-2021
UDIN: 21228180AAAAGN3732