



# KALLAM TEXTILES LIMITED

(Formerly Known as "Kallam Spinning Mills Limited")

CIN -L18100AP1992PLC013860

Chowdavaram, GUNTUR - 522 019. A.P., INDIA.

Ph: 0863-2344016: Fax:0863-2344000

E-mail: corp@ksml.in

GSTIN: 37AAACK9363M1ZY



REF/CS //Intimation /FY 2024-25

Date: 29-06-2024

The Corporate Relationship Department,  
BSE Limited,  
Phiroze Jeejeeboy Towers,  
Dalal Street,  
MUMBAI-400 001

Scrip Code: 530201

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 read with Schedule III Part A Clause A of Sub-clause 17 (b) of the SEBI (LODR) Regulation, 2015.

Ref: Previous Announcement dated 07<sup>th</sup>May, 2024

In reference to the captioned subject, consequent to the Bank Accounts of the Company classified as NPA, the Company's lender Union Bank of India initiated the Forensic audit and appointed the M/s J N Gupta & Co. LLP, Chartered Accountants.

Accordingly, the Forensic audit concluded by M/s J N Gupta & Co. LLP and the company received the Forensic audit report from Union bank of India.

The Forensic audit report concluded that there is no diversion of funds and no fraudulent activity conducted by the borrower.

This is for your information and record please.

For Kallam Textiles Limited

*G. Ramesh Kumar*

Golagani Ramesh Kumar

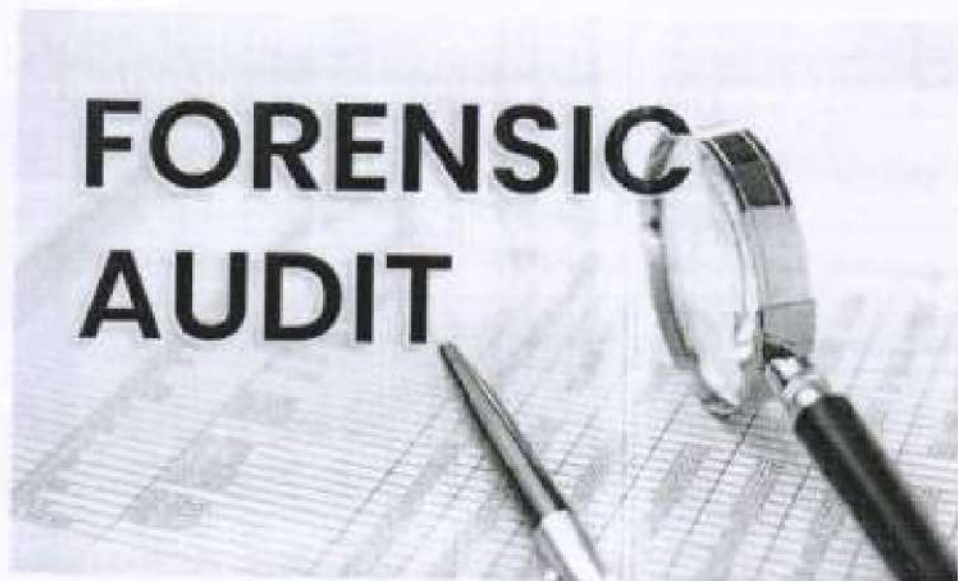
Company Secretary and Compliance officer



**Enclosure:**

**1. Forensic audit report**

FORENSIC AUDIT REPORT  
OF  
KALLAM TEXTILES LIMITED



(Period: 06/06/2013 to 31/03/2024)

ON BEHALF OF

**UNION BANK OF INDIA**

BY

**J. N. GUPTA & CO. LLP**

CHARTERED ACCOUNTANTS

Office:

- 2<sup>nd</sup> Floor, 126, Ram Nagar Shopping Center, Shastri Nagar, Jaipur-302016
- Shop No. 60, New Kaleswar Rao Market, First Floor, Vijayawada-520001

Contact No. +91-87692-23033

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(Strictly private & confidential: Solely for the use of UBI, not for circulation)

# J. N. Gupta & Co. LLP

Chartered Accountants



25, Second Floor, Ram Nagar, Shopping Center, Shastri  
Nagar, Jaipur-16 Email : caharshagarwal389@gmail.com  
Mobile : 87692 23033 caharshagarwal390@gmail.com

The Zonal Head  
Union Bank of India,  
Vijayawada-520001

Ref: - Appointment of forensic Auditor to conduct forensic Audit in NPA A/c  
M/s KALLAM TEXTILES LIMITED Vide letter dated 26/03/2024.

Subject:- Submission of Forensic Audit Report of M/s KALLAM TEXTILES LIMITED

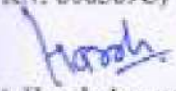
Dear Sir,

In reference to above, we do hereby submit the Forensic Audit Report of M/s KALLAM TEXTILES  
LIMITED. for the period 06.06.2013 To Till Date.

Kindly consider the above & oblige.

Thank You

For J.N. Gupta & Co. LLP  
Chartered Accountants  
(FRN: 006569C)

  
CA Harsh Agrawal  
Partner

M. No. 438677

UDIN: 24438677BKACWP7225



Date: 26.06.2024

Place: Vijaywada

### GLOSSARY OF ABBREVIATIONS USED IN THE REPORT

S. No.	Abbreviation	Full Form
1	FITL	Funded Interest Term loan
2	KTL	KALLAM TEXTILES Ltd.
3	CA	Current Account
4	PAN	Permanent Account Number
5	NPA	Non-Performing Assets
6	FY	Financial Year
7	AFS	Audited Financial Statements
8	PNB	Punjab National Bank
9	CC A/c	Cash Credit Account

## TABLE OF CONTENTS

S. No.	Heading	Page No.
1	Details of Borrower	1
2	Details of Directors and Past Directors	2
3	Details of Related Parties, Banking Exposure and Primary Security	3
4	Scope of Work	9
5	Approach towards audit	10
6	Disclaimers	12
7	Limitations of Work undertaken	14
8	Background after appointment as Forensic Auditor	15
<b>OBSERVATIONS</b>		
9	Executive Summary / Scope Reconciliation	1
10	Comparison of Audited Balance and Profit & Loss A/c	5
11	Point No. 1 Capital Account	17
12	Point No. 2 Bank Borrowings Analysis of Point No. 2	18
13	Point No. 3 Unsecured Loans and its analysis	19
14	Point No. 4 Utilisation of credit facilities/ end use of funds availed by the borrower	21
15	Point No. 5 Fixed Assets and its analysis	24
16	Point No. 6 Debtors External Confirmation	25
17	Point No. 7 Cash Withdrawals	31
18	Point No. 8 Inventory and its analysis	35
19	Point No. 9 GST Summary	53
20	Point No. 10 Sales Transaction	54
21	Conclusion	63
22	Annexure 1	64
23	Annexure 2	68
24	Annexure 3	70
25	Annexure 4	77
26	Annexure 5	98
27	Annexure 6	104
28	Annexure 7	110
29	Annexure 8	117
30	Annexure 9	141
31	Annexure 10	165
32	Annexure 11	375
33	Annexure 12	409

34	Annexure 13	416
35	Annexure 14	526
36	Annexure 15	592

### Details of the Borrower

S. No.	Particulars	Registration and other details
1	Name of the Borrower	KALLAM TEXTILES Ltd.
2	CIN	L18100AP1992PLC013860
3	PAN	AAACK9363M
4	GST No.	37AAACK9363MLZY
5	ROC Code	ROC Vijayawada
6	Registration Number	013860
7	Company Category	Company limited by shares
8	Company Sub-Category	Non-government company
9	Class of Company	Public
10	Share Capital	20,00,00,000
11	Paid up capital	10,56,21,124
12	Date of Incorporation	18/02/1992
13	Registered Address	N.H.5.Chowdavaram,Guntur,Andhra Pradesh, India-522019
14	Email ID	acesp@ksml.in
15	Date of Last AGM	28/08/2023
16	Date of Balance Sheet	31/03/2023
17	NPA in Union Bank	29/12/2023
18	Old Name Of Company	Kallam Spinning Mills Ltd Kallam Agro Ltd





**Details of Directors:**

Details of Directors of M/s Kallam Textiles Ltd.

S. No.	Name of Directors and Address	DIN	PAN	Date of Appointment
1	VENKATA SUBBA REDDY MOVVA	00018719	AHNPM3567G	25/09/1999
2	BHARGAVI VANGALA	06950741	-	27/09/2014
3	GURRAM VENKATA KRISHNA REDDY	00018713	ABWPR2278L	29/08/2015
4	VENKATESWARAREDDY POLURI	00018677	ADNPP4574E	28/09/2002
5	SURYANARAYANA MURTY VADDADI	00021952	-	21/09/2019
6	SRINIVAS PETLURI	02836590	-	14/06/2023

**Current KMP Other Than Directors**

S. No.	Director Name	Din No.	Pan No.	Date Of Appointment
1.	VENKATA SUBBA REDDY MOVVA	00018719	AHNPM3567G	12/02/2015
2.	Ramesh Kumar Golagani	-	ANUPG9232H	01/10/2021

**Details of Other Directorship**

S. No.	Name of Directors	DIN	Company Name	Date of Appointment
1	Bhargavi Vangala	06950741	Jocil Limited	13/10/2023
2	Suryanarayana Murty Vaddadi	00021952	JANAPADU HYDER POWER PROJECTS PRIVATE LIMITED	01/12/2000
			SARVARAYA TEXTILES LTD	22/12/1997
			SHREE PAPERS LTD.	17/09/1983
			SRI SARVARAYA SUGARS LIMITED	12/02/2020
3	SRINIVAS PETLURI	02836590	MULTI COMMODITY EXCHANGE CLEARING	11/12/2023



			CORPORATION LIMITED	
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**Details of Related Parties as identified during the course of audit:**

S. No.	Name of Company /Firm	Relation
1	Kallam Agro Products & Oils Pvt. Ltd.	Controlled by KMP/Relative of KMP
2	Kallam Brothers Cottons Pvt. Ltd., Guntur	Controlled by KMP/Relative of KMP

**Banking Exposure:**

Exposure with Banks are as follows;

Rs. in Crore

Nature of Facility	Union Bank of India		Indian Bank		Bank of Baroda		Total	
	Amount	%	Amount	%	Amount	%	Amount	%
Fund Based	104.75	55.20	80.00	42.16	5.00	2.64	189.75	100
Non-Fund Based	11.00	100.00	0.00	-	-	-	11.00	100
Term Loans	54.68	30.19	126.42	69.81	-	-	181.10	100
WCTL under GECL	44.64	48.84	46.76	51.16	-	-	91.40	100
<b>Total</b>	<b>215.07</b>	<b>45.45</b>	<b>253.18</b>	<b>53.50</b>	<b>5.00</b>	<b>1.06</b>	<b>473.25</b>	<b>100</b>

**Primary Security**

1. Stock
2. Book Debts
3. Other Current and Fixed Assets

**Collateral: Mortgaged IPS**



1. Plant & Machinery
2. Fixed Assets against the Term Loans

#### **Other Attachable Assets**

1. Industrial Land total area admeasuring Ac.18.01 Cents and ACC Sheet Roof Ginning & Spinning Halls, Storage Godowns, Sheds, RCC roof Office Building, RCC roof Staff quarter buildings etc. thereon situated at NH-16 (NH-5), Chowdavaram Village, Near K.H. I.T college, Prathipadu Sub-Dist., New Guntur Municipal Corporation, District Guntur in :

a) a). Item No.1: Survey No 115/C in which an extent of Ac.1.970 cents of land in the name of the company M/s. Kallam Textiles Ltd. and is being bounded by :

East : G.T. Road

South: property belongs to M/s.Kallam Textiles Limited

West: property belongs to M/s.Kallam Textiles Limited

North: property belongs to M/s. K.H. Reddy's Charities

(Within these boundaries an extent of Ac. 1.970 cents of land.)

b) Item No.2: Survey No 116/A,116/B,116/D &115/1A in which an extent of Ac. 2.66 cents of land in the name of the company M/s. Kallam Textiles Limited and is being bounded by :

East: property belongs to M/s.Kallam Harinatha Reddy's Charities

South: property belongs to M/s. Kallam Harinatha Reddy's Charities and govt. Pathway

West: property belongs to M/s.Kallam Harinatha Reddy's Charities

North: property belongs to M/s.Kallam Harinatha Reddy's Charities (Within these boundaries an extent of Ac. 2.66 cents of land.)

c) Item No.3: Survey No 115/1, as per sub division Survey No.115/1A in which an extent of Ac.2.60 cents of land in the name of the company M/s.Kallam Textiles Limited and is being bounded by :

East : property belongs to M/s. Kallam Harinatha Reddy's Charities

South: property belongs to M/s. Kallam Harinatha Reddy's Charities

West: property belongs to M/s. Kallam Spinning Mills Ltd

North: Govt. west land

(Within these boundaries an extent of Ac. 2.60 cents of land.)

d) Item No.4: Survey No 115/1, as per sub division Survey No.115/1B in which an extent of Ac.2.60 cents of land in the name of the company M/s. Kallam Textiles Limited and is being bounded by :

East: property belongs to M/s.Kallam Harinatha Reddy's Charities

South: property belongs to M/s.Kallam Harinatha Reddy's Charities

West: property belongs to M/s.Kallam Spinning Mills Ltd

North: Govt. west land

(Within these boundaries an extent of Ac. 2.60 cents of land)



e) Item No.5: Survey No 115/1, as per sub division Survey No.115/1A in which an extent of Ac.0.82 cents of land in the name of the company M/s. Kallam Textiles Limited and is being bounded by :

East: property belongs to M/s.Kallam Harinatha Reddy's Charities and Kallam Spinning Mills

South: property belongs to M/s.Kallam Harinatha Reddy's Charities

West: property belongs to M/s.Kallam Spinning Mills Ltd

North: Govt. west land

(Within these boundaries an extent of Ac. 0.82 cents of land)

f) Item No.6: Survey No 115/1, as per sub division Survey No.115/1F1 in which an extent of Ac.0.40 cents of land in the name of the company M/s Kallam Textiles Limited and is being bounded by:

East: G.T. Road

South: Govt Pathway

West: property belongs to M/s.Kallam Spinning Mills Ltd

North: property belongs to M/s.Kallam Harinatha Reddy's Charities

(Within these boundaries an extent of Ac. 0.40 cents of land)

g) Item No.7: Survey No 114/3 & 115/1E as per sub division Survey No.114/3A & 115/1E in which an extent of Ac.2.60 cents of land in the name of the company M/s.Kallam Textiles Limited and is being bounded by :

East : G.T. Road

South: property belongs to M/s.Kallam Spinning Mills Ltd.

West: property belongs to M/s.Kallam Spinning Mills Ltd.

North: property belongs to M/s.Kallam Harinatha Reddy's Charities

(Within these boundaries an extent of Ac. 2.60 cents of land)

h) Item No.8(a): Survey No 116/A,116/B & 116/D in which an extent of Ac.0.46 cents of land in the name of the company M/s.Kallam Textiles Limited and is being bounded by :

East: property belongs to M/s.Kallam Spinning Mills Ltd

South: Govt. Pathway

West: property belongs to M/s.Kallam Harinatha Reddy's Charities

North: Govt. waste land

(Within these boundaries an extent of Ac. 0.46 cents of land.)

Item No.8(b): Survey No 115/D & 115/1D in which an extent of Ac. 1.46 cents of land in the name of the company M/s.Kallam Textiles Limited and is being bounded by :

East : property belongs to M/s.Kallam Harinatha Reddy's Charities

South: property belongs to M/s.Kallam Spinning Mills Ltd West: property belongs to M/s.Kallam Spinning Mills Ltd

North: property belongs to M/s.Kallam Spinning Mills Ltd

(Within these boundaries an extent of Ac. 1.46 cents of land.)



i) Item No.9: Survey No 114/3A in which an extent of Ac. 2.44 cents of land in the name of the company M/s Kallam Textiles Limited and is being bounded by :

East: G.T. Road

South: property belongs to M/s.Kallam Spinning Mills Ltd West: property belongs to M/s.Kallam Spinning Mills Ltd

North: property belongs to M/s.Kallam Spinning Mills Ltd and others

(Within these boundaries an extent of Ac. 2.44 cents of land.)

2. Non Agricultural Land and Canal with Power House with ACC roof shed and control room, hoffice and staff quarters with RCC building. Canal bottom and side lining with RCC established in Ac 17.88 cents or 7.20 Ha. This is a freehold Hydro Power Project located at Kotha kothur Village, Nelakondappaly to Biravunipalli Road, on NSP 16th Branch Canal, with a capacity of 2.0 MW, Khammam District, Telangana. Situated in:

a) Item No.1: S No: 194,195,196 location Bhairavunipalli Village, Nelakondapalli Mandal , Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd Power division) in extent of Ac 3.02 Gts or 1.23 Ha bounded by

East: Land of Kallam textiles

South: Agril land of M Padmavathi

West: 3 feet wide canal

North: N S P Canal

(Within these boundaries an extent of Ac. 3.02 Gts or 1.23 Ha of land.)

b) Item No.2: S No: 1108,1086 location Nelakondapalli Village ,Kothakothuru Gramapanchayat , Khammam District belonging to M/s. Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd Power division) in extent of Ac 2.00 cents 0.81 Ha bounded by

East: Agril Land Of Kallam Spinning Mills

South: Agril land of Rama Koteswara Rao

West: Wet land of Ravalla Gopala Krishna

North: NSP 16\* branch Canal

(Within these boundaries an extent of Ac. 2.00 centss or 0.81 Ha of land.)

c) Item No.3: S No: 1803, 1109 location Nelakondapalli Village, Kothakothuru Gramapanchayat , Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd

Power division) in extent of Ac3.00 cents or 1.21 Ha bounded by

East : wet land of B Krishnaiah

South: Wet land of Ramulamma

West: wet land of Kallam Textiles

North: NSP 16th branch Canal

(Within these boundaries an extent of Ac. 3.00 cents or 1.21 Ha of land.)



d) Item No.4: S No: 1105 location Nelakondapalli Village, Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd Power division) in extent of Ac 2.27

½ Gunta or 0.92 Ha bounded by

East : wet land of Kallam Textiles

South: Wet land of Y Rama Koteswara Rao

West: wet land of Ravella Venkateswara Rao

North: NSP 16th branch Canal

(Within these boundaries an extent of Ac. 2.27 ½ Gts or 0.92 Ha of land.)

e) Item No.5: S No: 911/1 location Nelakondapalli Village and Mandal, Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd Power division) in extent of Ac 0.20 Guntas or 0.20 Ha bounded by

East : Land of Kallam Textils

South: Land of Samrajyam

West :Land of Kallam & Land of Samrajyam

North: NSR 16th branch Canal

(Within these boundaries an extent of Ac. 0.20 Gts or 0.20 Ha of land.)

f) Item No.6: S No: 911/1, 911/2, 910/A location Nelakondapalli Village ,Kothakothuru Gramapanchayat, Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name :Kallam Textiles Ltd Power division) in extent of Ac 1.60 ¼ cents or 0.643 Ha bounded by

East : Land of Kallam & Samrajyam

South: Land of M Renuka

West: land of Samrajyam

North: NSP 16th branch Canal

(Within these boundaries an extent of Ac. 1.60 ¼ cents or 0.643 Ha of land.)

g) Item No.7: S No: 899/1,900/1 location Nelakondapalli Village & Mandal, Khammam District belonging to M/s.Kallam Textiles Ltd (Trade name : Kallam Textiles Ltd Power division) in extent of Ac 1.10 5/8 cents or 0.4425 Ha bounded by

East: Donka to Bhairavunapalli

South: Land of B Ravindranth

West: land of Kallam Spinning Mills

North: NSP 16th branch Canal

(Within these boundaries an extent of Ac. 1.10 5/8 cents or 0.4425 Ha of land.)

h) Item No.8: S No: 561, 563/, 563/2, 564 location Nelakondapalli Village & Mandal, Khammam District belonging to M/s. Kallam Textiles Ltd (Trade name: Kallam Textiles Ltd Power division) in extent of Ac 4.34 ½ cents or 1.75 4/5 Ha bounded by

East : Land of Kallam & B Ravindranath

South: Land of D samrajyam, Renuka & M Padmaja

West: Land of Kallam North: NSP 16th branch Canal



(Within these boundaries an extent of Ac. 4.34½ cents or 1.75 4/5Ha of land.)

Hypothecation of Movable properties described herein below:

i) Hypothecation of Current assets i.e. Stock, Spares & Book Debts and fixed asset i.e. Plant & Machinery and other Fixed Assets of Ginning and Spinning Division of the Company situated at Chowdavaram Village.

ii) Hypothecation of Plant & Machinery of Solar Division of the Company situated at Chowdavaram Village.

iii) Hypothecation of Plant & Machinery and fixed assets of Hydel Power Division of the company sitated at Nelakondappaly village.

(Second pari-pasu charge on Spinning Division to Indian Bank to an extent of Rs. 2.27 Crores only)



## SCOPE OF WORK

**Scope of the audit as per Union Bank of India letters as under:**

1. Whether the borrower has defaulted in meeting its payments / repayment obligations to the bank even when it has the capacity to honour the same.
2. Utilization of short-term working capital funds for long term purposes not in conformity with the terms of sanction.
3. Deploying borrowed funds for purposes / activities or creation of assets other than those for which the loan was sanctioned.
4. Transferring borrowed funds to the subsidiaries / group companies or other Corporate by whatever modalities.
5. Routing of funds through any bank other than the lender bank or members of consortium without prior permission of the bank/lenders.
6. Shortfall in deployment of funds vis-à-vis the amounts disbursed / drawn and the difference not being accounted for.
7. Siphoning off funds: Whether any funds borrowed from bank are utilized for purposes unrelated to the operations in the account of the borrower and to the detriment of the financial health of the entity and/or the lender.
8. Abnormal trade transactions, if any
9. Sales Transaction
10. Concentrating Transactions
11. Movements in unsecured loans during specified period.
12. Details of substantial debts raised in sister/ associate/ group companies either through corporate guarantee of borrower or against security of promoters or promoters' family assets.





## APPROACH

### 1. AUDIT APPROACH:

- Data collection with respect to correct sources and validation of the data & documents.
- Record keeping in the form of hard as well as soft copies.
- Identifying fraudulent transactions & potential diversion of funds.
- Assess the quantum of fraudulent transactions.
- Differentiate between genuine business failure and fraud.

### 2. APPROACH FOR METHODOLOGY:

- Information available on public domain: Legal cases by or against the company, fraud history, Promoters background etc.
- Information Provided by Bank: Bank statements, Loan documentations etc.

### 3. APPROACH FOR DATA:

- Bank
- Borrower Company
- News and Media
- Internet-Public Domain

### 4. APPROACH TO DATA COLLECTION:

- Documents collected with a view to submitting it as an evidence in the court of law.
- Use of evidence as annexures.

### 5. FORENSIC AUDIT TECHNIQUES

- Public document reviews and background investigations
  - Public Databases
  - Regulatory Websites
  - Internet
    - ✓ Search Engines
    - ✓ News Sources/Newspapers
    - ✓ Government Sites
- Analysis of evidences
  - Altered & Fictitious Documents
  - Physical examination
- Analysis of financial transactions
  - Horizontal/vertical analysis



➤ Ratio Analysis

6. DOCUMENTS REVIEWED

- Bank Statements
- Audited Financial Statements
- Sanction Letters
- Bank Loan documentations
- Books of Accounts provided by the borrower.



## DISCLAIMERS

1. The report is to be read in totality and not in parts, in conjunction with the relevant documents referred to in this report. While utmost care has been taken in carrying out the assignment, there are certain limitations detailed in hereafter.
2. We do not independently verify all matters discussed and consequently, our review on the affairs of the company is strictly limited to the information / documents / books of accounts produced before us.
3. Our coverage excludes validation and corroboration of taxation other statutory levies by relevant central and state government authorities.
4. No technical or economic viability study of market survey was conducted for the purpose of this assignment.
5. No responsibility is assumed for matters of legal nature. We are not required to carry out a legal audit or review. It will be out of our purview.
6. We have no obligation to update this report or revise our opinion because of events or transaction occurring subsequent to the date of this report. We have expressed our opinion on the basis of information and detail provided by us, we shall not give testimony or appear in court / tribunal / legal proceeding can be initiated against us based on this report under any Law/Act.
7. The fee for preparation of this report is not contingent upon results reported. If the professional fee for the said assignment is not paid as per the agreed term, then the report is considered void. Further, if any documents and details furnished borrower/bank is found unlawful or falsified then the report shall be considered as void.
8. The responsibility for the financials and assumptions on which they are based, is solely that of the borrower. Further, it must be emphasized that for we have only analysed the information/ documents in our own way, those are already certified by previous auditors and management of the company.
9. For our convenience this report may have been made available to you, in electronic as well as hard copy format, multiple copies of this report may therefore exist in different hands. Hence, in case of any discrepancy, the final signed hard copy of the report should be regarded as definitive.



10. This report and the observations / findings are based on information / clarification made available to us by the Bank and by the borrower. The same has been prepared on the basis of examination of various documents and field work conducted till the date of report.
11. Work performed is on the basis of scope mentioned in appointment letter dated 26.03.2024.
12. We did not perform procedures such as forensic disk imaging, email analysis etc. including open interviews with employees of borrower on a rationale of findings / observations. These procedures may lead to change in observations.
13. The information search is limited to that available in the public domain.
14. Certain information presented in this report may be hearsay and may not be accurate or reliable when identified as being alleged or of unknown reliability.
15. Certain information presented in this report may not be backed by documentary proof which would stand the scrutiny of the Court. Bank needed to take legal opinion to determine criminality of the promoter/borrower and accordingly classify as Red Flagged Account/ \*Wilful Defaulter/Fraud Account as per RBI requirement.
16. Related entities / extended related parties / potential related parties identified in this report are on the basis of linkages identified.



### LIMITATIONS / CONSTRAINTS ON WORK UNDERTAKEN

1. No illegal means have been restored to in the conduct of this assignment and we have acted within the laws of the land.
2. Due diligence was exercised by the investigating team during the course of audit.
3. No proof of Face-to-Face conversations and telephonic conversations are available.
4. Bank statements were reviewed and analysed to the extent available.
5. We attempted to match credits to respective debits, to the extent possible on the basis of date proximity of transactions approach.
6. In respect of identifying end use of banks funds and source of promoter's contribution if any, money trail was conducted up to one level.
7. During the review, we received photocopies/scanned copies of certain documents from the bank and the borrower and we have relied on the same.
8. Our Report is totally based on the documents / details / information provided by the Union Bank of India, Indian Bank, Bank of Baroda, borrower and information available in public domain



### Background after Appointment as Forensic Auditor

1. We have been appointed as Forensic Auditor of M/s Kallam Textiles Limited vide Appointment Letter dated 26/03/2024.
2. On dated 31/03/2024, we had mailed the borrower and Bank regarding the list of documents required for the conduct of audit. Further, we had also made a speed post to borrower on 01/04/2024 of list of documents required. Further, we had also intimated bank (Union Bank of India) on 31/03/2024 of our visit schedule to bank on 08/04/2024 and 09/04/2024.
3. In response to the above, the borrower replied on 08/04/2024 with a requesting letter. The borrower seeks one month time period for providing the required documents. Further, our team had visited the branch, Indian Bank and Bank of Baroda for collection of documents on 08/04/2024 and 09/04/2024.
4. On 18/04/2024, we requested the borrower to provide the readily available documents (Audited Financials, GST Returns, A/c Statements and ITRs with computation. In response to the same, on 19/04/2024, the borrower sent some documents (Audited financials, GST returns and ITRs).
5. Our team had visited the borrower premises and factories on 02/05/2024 and 03/05/2024. During the visit also, our team had collected some data through physical copies, in pen drive and on mail.
6. After the aforesaid visit, we had mailed the borrower on 07/05/2024, 16/05/2024, 24/05/2024, 25/05/2024, 28/05/2024, 01/06/2024 and 05/06/2024 for pending documents required.  
In response to these mails, the borrower mailed/uploaded in google drive documents on 09/05/2024, 18/05/2024, 27/05/2024, 31/05/2024, 01/06/2024 and 05/06/2024.
7. Our team had made a second visit to borrower on 12/06/2024 and 13/06/2024 for finalization and clarification of queries.

The details of the communication are as under:

S.No.	Particulars	Date and Time
1.	Document requisition mail to borrower and bank	31 <sup>st</sup> March, 2024 at 1:05 PM
2.	Speed Post for requisition of documents	01 <sup>st</sup> April, 2024
3.	Intimation to bank regarding Visit Schedule	31 <sup>st</sup> March, 2024 at 4:06 PM
4.	Borrower replied requesting for one month time period for document arrangement	08 <sup>th</sup> April, 2024 at 5:27 PM
5.	Documents requisition mail to borrower	18 <sup>th</sup> April, 2024 at 11:06 AM
6.	Receipt of partial documents	19 <sup>th</sup> April, 2024 at 11:01 AM



7.	Receipt of partial documents	02 <sup>nd</sup> May, at 2:32 PM
8.	Documents requisition mail to borrower	07 <sup>th</sup> May, at 11:24 AM
9.	Receipt of partial documents	09 <sup>th</sup> May, at 3:44 PM
10.	Documents requisition mail to borrower	16 <sup>th</sup> May, at 12:59 PM
11.	Receipt of partial documents	18 <sup>th</sup> May, at 2:49 PM
12.	Documents requisition mail to borrower	24 <sup>th</sup> May, at 5:40 PM
13.	Documents requisition mail to borrower	25 <sup>th</sup> May, at 12:01 PM
14.	Receipt of pending documents	27 <sup>th</sup> May, at 6:33 PM
15.	Final reminder mail for pending documents	28 <sup>th</sup> May, at 1:07 PM
16.	Receipt of pending documents	31 <sup>st</sup> May, at 9:42 AM
17.	Pending documents requisition mail	01 <sup>st</sup> June, 11:49 AM
18.	Receipt of pending documents	01 <sup>st</sup> June, 5:01 PM
19.	Pending documents requisition mail	05 <sup>th</sup> June, 11:28 AM
20.	Receipt of pending documents	05 <sup>th</sup> June, 11:44 AM
21.	Pending documents requisition mail	06 <sup>th</sup> June, 5:04 PM
22.	Receipt of pending documents	07 <sup>th</sup> June, 5:09 PM
23.	Receipt of pending documents	10 <sup>th</sup> June, at 9:59 AM



**EXECUTIVE SUMMARY / SCOPE RECONCILIATION**

S. No.	Scope	Our Comments / Observations
1	Whether the borrower has defaulted in meeting its payments / repayment obligations to the bank even when it has the capacity to honour the same.	<p>No, the borrower was in the capacity to repay obligations of the bank.</p> <p>a. As per the books of accounts, the borrower has high cash balances during the audit period, a comprehensive list of the cash balances is enclosed in the detailed report, which is used for making payments to the farmers for purchase of Kappas.</p> <p>b. During the year 2020-21 and 2021-22, the borrower received Rs.91.40 Crores of GECL loans, which was used by the borrower for making the payments towards various term loans amounting Rs.90.00 Crores during the year 2020-21 and 2021-22.</p> <p>c. Further, in the year 2022-23 and 2023-24, the borrower made repayment amounting Rs.38.00 crores to the banks</p>
2	Utilization of short-term working capital funds for long term purposes not in conformity with the terms of sanction.	No such transactions were observed.
3	Deploying borrowed funds for purposes / activities or creation of assets other than those for which the loan was sanctioned.	During the year 2020-21 and 2021-22, the borrower received Rs.91.40 Crores of GECL loans, which was used by the borrower for making the payments towards various term loans amounting Rs.90.00 Crores during the year 2020-21 and 2021-22.
4	Transferring borrowed funds to the subsidiaries / group companies or	No transfer of funds were made to the group companies.





	other Corporate by whatever modalities.	
5	Routing of funds through any bank other than the lender bank or members of consortium without prior permission of the bank/lenders.	The routing of funds were through Union Bank of India in case of Spinning Division; Indian Bank in case of Weaving division and Bank of Baroda in case of Dyeing division. However, after declaration of NPA by the bank, since December 2023, the routing of transactions of all the three divisions is through Bank of Baroda bank only.
6	Shortfall in deployment of funds vis-à-vis the amounts disbursed / drawn and the difference not being accounted for.	No such transactions were observed.
7	Siphoning off funds: Whether any funds borrowed from bank are utilized for purposes unrelated to the operations in the account of the borrower and to the detriment of the financial health of the entity and/or the lender.	Siphoning off funds were not found.
8	Abnormal trade transactions, if any	<p>a. The borrower has incurred expense on Repair and Maintenance from FY 2017-18 to 2023-24, Rs.42.00 Crores, out of which Rs.28.00 Crores. were incurred in cash.</p> <p>b. Major purchase of Kappas is made in cash.</p>



9	Sales Transaction	Approx. 15% and 18% of total sales amounting to Rs. 57,94,26,029/- and Rs. 76,35,17,126/- during the audit period were made to single group of entities i.e., Gupta Trading Co. in the year 2023-24 and 2022-23 respectively.  Further also in 2022-23 the Universal Group (Universal Spintex and Universal Cottons) is a major importer from the borrower.  Refer Point No. 10 (Sales Transactions) of Observations of Detailed Report.
10	Concentrating Transactions	1. 15 % of total sales during the year 2023-24 were made to single group of entities. 2. 13.59 % of total sales during the year 2022-23 were made to single group of entities.  Refer Point No. 10 (Sales Transactions) of Observations of Detailed Report.
11	Movements in unsecured loans during specified period.	Unsecured loans extended by directors have been withdrawn and reinvested as equity during F/Y 2022-23 in the right issue. Refer Point No. 3 (Unsecured Loans) of Observations of Detailed Report.
12	Details of substantial debts raised in sister/ associate/ group companies either through corporate guarantee of borrower or against security of promoters or promoters' family assets.	No debts raised in sister concern/group companies.
13	Finding details of assets of unit/ its promoters(s)/ partners to ensure the	On the basis of books of accounts and other information provided to us by the borrower, no such cases have been observed.



	loans granted by banks as there would be cases where some assets are not reported in financials of unit/promoters/partners.	
14	Examining stocks/inventory & purchase transactions in particular with related parties/sister concerns.	Refer Point No. 8 (Inventory)
15	Identifying the type of fraud that has been operating, how long it has been operating for, and how the fraud has been concealed.	During the period of audit, on the basis of documents, books of accounts, available information and analysis of the same, we did not found any fraudulent activity.



**DETAILED REPORT**

**COMPARISON OF AUDITED BALANCE SHEET AND PROFIT & LOSS ACCOUNTS**

**a. Audited Balance Sheet**

(Rs. in Lakhs)

PARTICULARS	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>SHAREHOLDERS FUND</b>											
Share Capital	685.11	685.11	685.11	685.11	856.39	856.39	856.39	856.39	856.39	1056.21	1056.21
Reserves & Surplus	5417.05	6250.54	6759.45	14111.11	20376.16	20998.57	19730.42	19019.17	20294.05	18938.30	15263.00
<b>Net worth</b>	<b>6102.16</b>	<b>6935.65</b>	<b>7444.56</b>	<b>14796.22</b>	<b>21232.55</b>	<b>21854.95</b>	<b>20586.81</b>	<b>19875.56</b>	<b>21150.44</b>	<b>19994.51</b>	<b>16319.21</b>
Share Application Money Pending Allotment											
Deferred Government Grant		871.86	839.97	806.73	-	-	-	-	-	-	-
<b>NON-CURRENT LIABILITIES</b>											
Long-term Borrowings	19568.14	19125.06	18415.00	19430.41	17560.69	14643.73	12691.24	15368.69	16194.36	11515.14	7269.00
Other Financial Liabilities	1541.13	0.00	1867.04	0.00	0.00	0.00	0.00	0.00	0.00	192.05	161.00
provisions	36.13	58.06	71.41	103.50	124.81	152.91	198.24	205.32	197.54	201.26	143.00

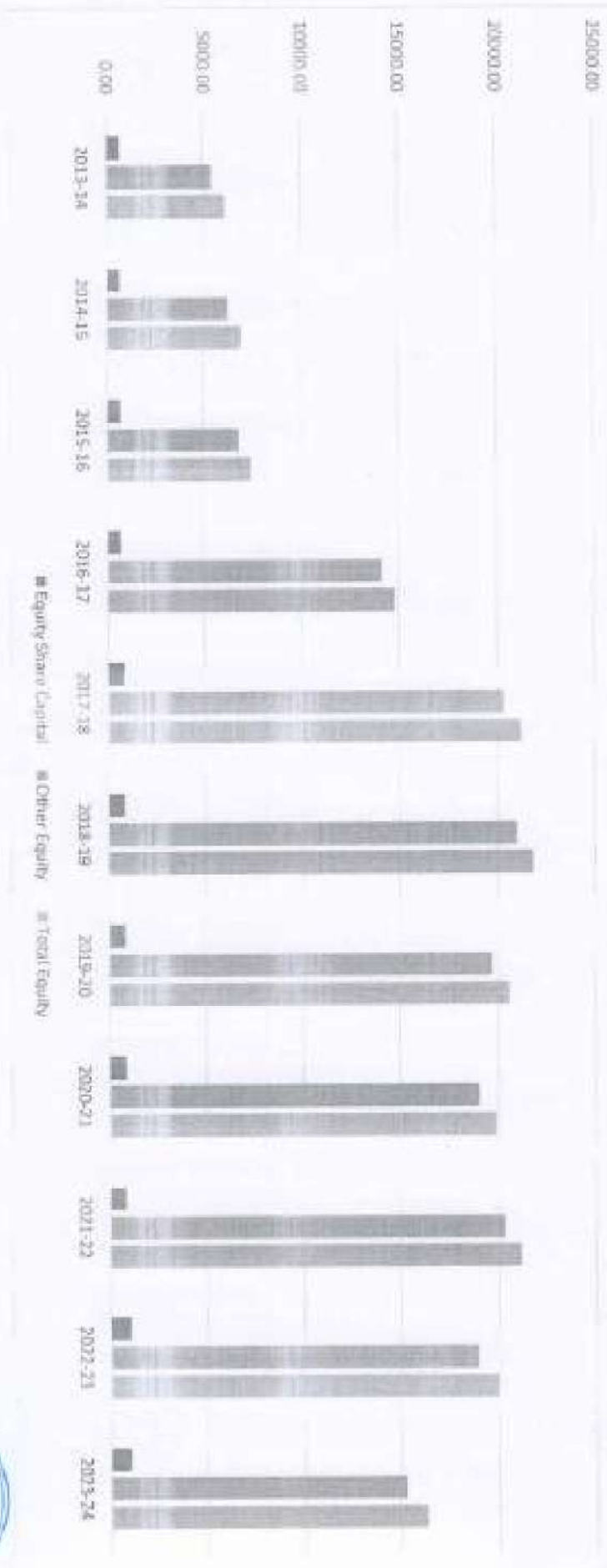


Deferred Tax Liabilities (Net)	0.00	1397.72	0.00	2596.18	2838.07	3057.57	2473.37	1875.27	772.68	1430.11	-
Other Non-Current Liabilities	0.00	0.00	0.00	0.00	874.38	910.77	864.74	818.71	2433.93	726.64	680.00
<b>Total Non-Current Liabilities</b>	<b>21145.40</b>	<b>21452.70</b>	<b>21193.42</b>	<b>22936.82</b>	<b>21397.94</b>	<b>18764.99</b>	<b>16227.59</b>	<b>18267.98</b>	<b>19598.51</b>	<b>14065.20</b>	<b>8253.00</b>
<b>CURRENT LIABILITIES</b>											
Short-term Borrowings	6242.28	7791.61	10625.28	11528.17	11605.40	13926.66	15627.53	13883.71	14769.47	19047.76	24395.00
Trade Payables	904.08	526.96	560.91	280.45	838.56	631.26	1664.03	831.20	542.88	2442.52	1448.00
Other Financial Liabilities	0.00	0.00	0.00	0.00	3508.37	3973.50	4435.57	6639.19	1000.15	1276.73	598.00
Other Current Liabilities	2465.61	2580.20	2747.90	2912.07	181.56	162.77	108.28	288.25	186.64	303.82	103.00
Short-term Provisions	843.02	991.41	964.30	1382.01	6.33	4.96	9.13	12.06	9.90	14.74	7.00
Current Tax Liabilities	0.00	0.00	0.00	0.00	312.32	141.11	0.00	0.00	273.31	0.00	0.00
<b>Total Current Liabilities</b>	<b>10454.99</b>	<b>11890.19</b>	<b>14898.39</b>	<b>16102.71</b>	<b>16452.54</b>	<b>18860.27</b>	<b>23866.53</b>	<b>21674.41</b>	<b>16782.35</b>	<b>23085.57</b>	<b>26551.00</b>
<b>Total Equity &amp; Liabilities</b>	<b>37702.55</b>	<b>40278.54</b>	<b>43536.38</b>	<b>53835.75</b>	<b>59083.04</b>	<b>59480.21</b>	<b>58678.93</b>	<b>59817.95</b>	<b>57531.30</b>	<b>57145.28</b>	<b>51123.21</b>
<b>NON-CURRENT ASSETS</b>											
<b>FIXED ASSET</b>											
Tangible Assets	12733.33	26978.35	29567.47	35614.25	41568.45	40901.26	39416.18	39401.08	37841.82	37503.03	36105.00
Intangible Assets	0.00	0.00	0.00	0.00	0.00	7.53	8.12	6.08	4.16	1.04	1.00
C/WIP	15214.38	2744.21	460.37	448.31	590.36	183.15	1166.48	263.34	1073.80	220.42	0.00

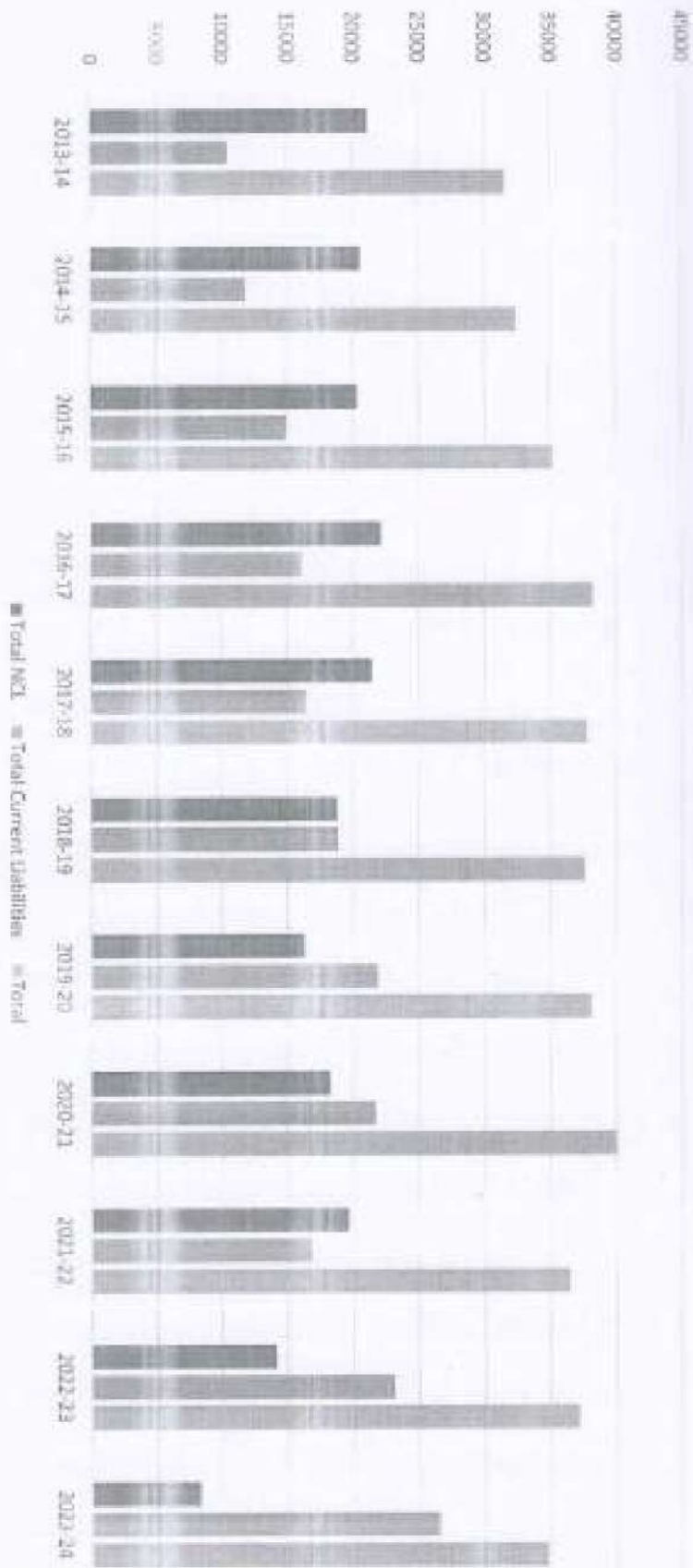




# Equity Chart



## Liabilities Chart

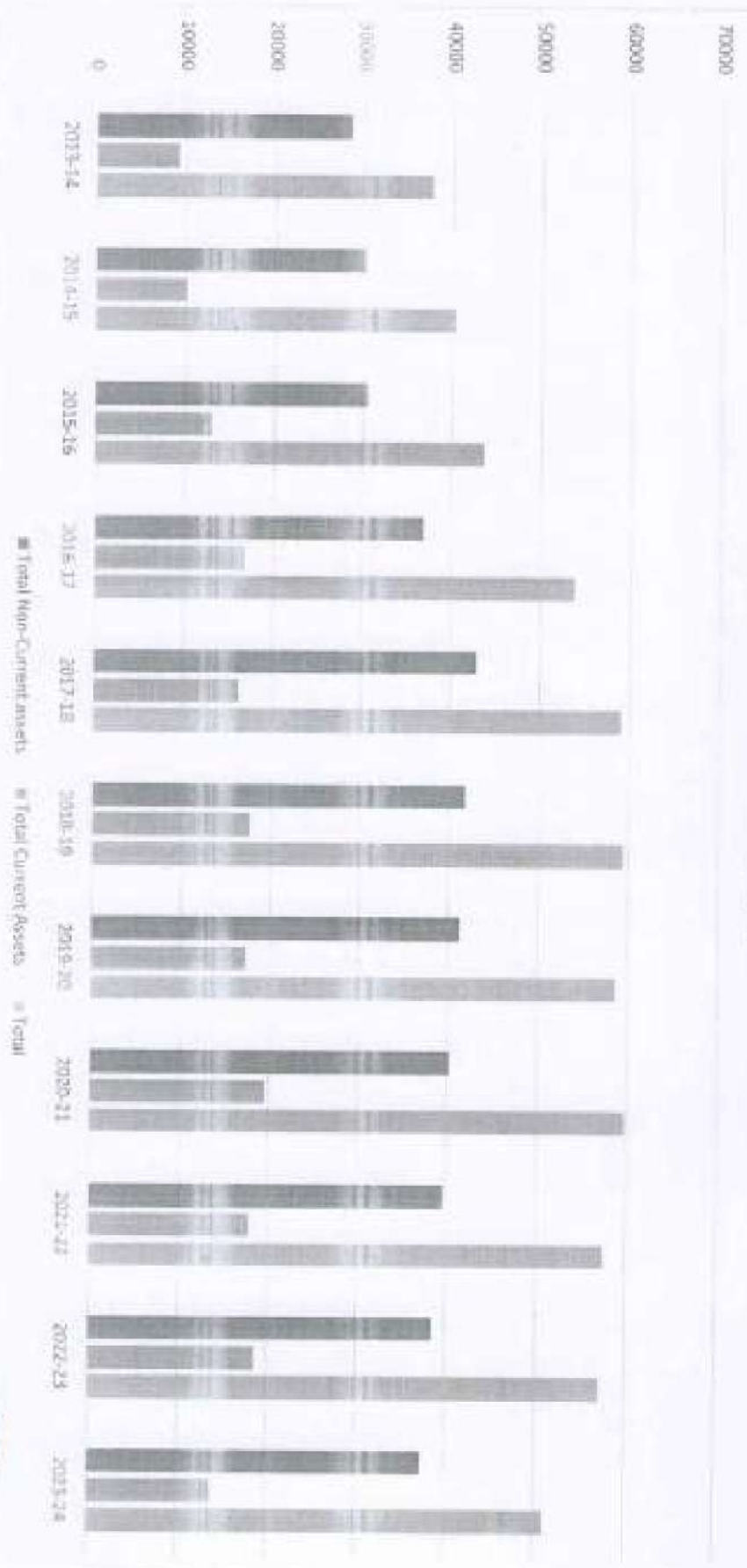




### Borrowings Chart



### Assets Chart



b. Audited Profit & Loss Account

(Rs.in Lakhs)

PARTICULARS	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>REVENUE</b>											
Revenue from Operations	21464.04	24413.47	26900.59	28681.13	31264.27	31073.59	29161.07	24061.97	45089.82	41286.99	36738.19
Other Income	472.96	713.34	709.96	1041.23	113.23	140.73	172.41	164.56	94.13	132.65	108.87
<b>Total Revenue</b>	<b>21937.00</b>	<b>25126.81</b>	<b>27610.55</b>	<b>29724.01</b>	<b>31377.49</b>	<b>31214.32</b>	<b>29333.48</b>	<b>24226.53</b>	<b>45183.95</b>	<b>41419.64</b>	<b>36847.06</b>
<b>EXPENSES</b>											
Cost of Materials Consumed	13625.80	14860.59	14325.54	15801.39	17028.45	17650.53	18375.43	15173.07	29818.24	31590.72	26360.96
Purchase of Stock in Trade	-	127.67	87.12	-	-	230.94	2.54	131.70	21.58	1.13	8.68
Changes in Inventories	(396.53)	(7.57)	(453.61)	(1181.22)	(384.98)	(720.68)	58.46	(156.60)	(1436.84)	(1854.27)	2311.25
Employee Benefit Expense	443.32	901.61	1538.82	1807.34	2086.37	2098.33	2009.19	1420.77	2068.26	2235.88	2143.20
Other Expenses	3897.96	5131.03	6924.96	7628.12	6933.03	7131.46	6611.26	4973.70	7464.00	7140.63	6492.09
<b>EBITDA</b>	<b>4366.45</b>	<b>4113.48</b>	<b>5187.72</b>	<b>5668.38</b>	<b>5714.62</b>	<b>4823.74</b>	<b>2276.60</b>	<b>2683.89</b>	<b>7248.71</b>	<b>2305.55</b>	<b>(469.12)</b>
EBITDA %	20.34%	16.85%	19.28%	19.76%	18.28%	15.52%	7.81%	11.15%	16.08%	5.58%	(1.28%)
Finance Costs	1474.26	2317.17	2829.83	2198.67	2188.33	2059.91	2423.59	2496.56	3360.78	2976.48	3543.53
Depreciation & Amortisation	780.62	993.05	1294.07	1360.90	1419.46	1568.36	1564.66	1524.92	1569.93	1570.92	1598.96
<b>Total Expenses</b>	<b>19825.42</b>	<b>24323.55</b>	<b>26546.73</b>	<b>27615.20</b>	<b>29270.65</b>	<b>30018.84</b>	<b>31045.13</b>	<b>25564.12</b>	<b>42865.95</b>	<b>43661.49</b>	<b>42458.67</b>
<b>Profit before Tax</b>	<b>2111.58</b>	<b>803.25</b>	<b>1063.82</b>	<b>2108.80</b>	<b>2106.84</b>	<b>1195.48</b>	<b>(1711.65)</b>	<b>(1337.59)</b>	<b>2318.00</b>	<b>(2241.85)</b>	<b>(5611.61)</b>





Chart Title



### Revenue & Material Cost Chart



■ Revenue from Operations ■ Material Cost



C. Ratios

PARTICULARS	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Debt equity Ratio	3.21	2.76	2.47	1.31	0.83	0.67	0.62	0.77	0.77	0.58
Inventory Turnover Ratio	3.63	4.19	3.55	3.29	3.37	3.08	3.21	2.34	3.86	3.30
Trade Receivable Turnover Ratio	30.59	20.16	11.05	9.23	13.72	13.95	13.77	13.54	19.30	18.97
Net Capital Turnover Ratio	31.33	35.63	39.26	41.86	28.08	36.28	34.05	28.10	52.65	39.09
Net Profit Ratio	10%	3%	4%	7%	7%	4%	-6%	-6%	5%	-7%
Fixed Assets Turnover	1.69	0.90	0.91	0.81	0.75	0.76	0.74	0.61	1.19	1.10
Gross Profit Margin on Sales	38%	39%	48%	49%	47%	45%	37%	37%	37%	28%



## OBSERVATIONS

### 1. Capital Account

There was movement in the capital account in the audit period as follows:

Year	Share Capital in Previous Year (Rs.in lakhs)	Share Capital in Current Year (Rs. in lakhs)	Change in Capital	Means of Change
2017-18	685.11	856.39	171.28	Bonus shares issued with ratio 1:4, for Rs.2/- per share.
2022-23	856.39	1056.21	199.82	Right shares issued with ratio 7:30, for Rs.10/- per share

#### Analysis:

- The borrower is a public listed company.
- The Authorised share capital comprise 500000000 Shares of Rs. 2 each, out which issued share capital is 34255500 shares were issued amounting of Rs. 685.11 crore.
- In the financial year 2017-18 company issued bonus share with ratio 1:4 to its share holder and total 8563875 bonus shares were issued during that year.
- Further in the year 2019-20 the company increased its authorised share capital to 10,00,00,000 shares from 5,00,00,000 shares.
- In the year 2022-23 the company make right issue with ratio 7:30 and issued 9991187 shares, resulting in total issued shares of 52810562 shares.
- Major fund in the right issue is introduced by the BoD.





2. Banking Exposure:

(Rs. in Crore)

Nature of Facility	Union Bank of India		Indian Bank		Bank of Baroda		Total	
	Amount	%	Amount	%	Amount	%	Amount	%
Fund Based	104.75	55.20	80.00	42.16	5.00	2.64	189.75	100
Non-Fund Based	11.00	100.00	0.00	-	-	-	11.00	100
Term Loans	54.68	30.19	126.42	69.81	-	-	181.10	100
WCIL under GECL	44.64	48.84	46.76	51.16	-	-	91.40	100
<b>Total</b>	<b>215.07</b>	<b>45.45</b>	<b>253.18</b>	<b>53.50</b>	<b>5.00</b>	<b>1.06</b>	<b>473.25</b>	<b>100</b>

Analysis:

- The borrower has consortium finance with three banks, Union Bank of India being the lead banker.
- The borrower has majority three divisions. The Spinning division is financed by the UBI; Weaving division is financed by Indian bank and Dyeing division is financed by the Bank of Baroda.



### 3. Unsecured Loans:

Year-wise outstanding position of borrowings during audit period are as follows:

#### 3.1 Short term loans:

(Fig in Rs.)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Balance	-	22,00,000.00	86,00,000.00	2,00,00,000.00	2,00,00,000.00	1,95,00,000.00	1,09,00,000.00
Receipts	22,00,000.00	1,39,00,000.00	1,77,60,000.00	-	-	1,24,00,000.00	4,50,000.00
Payments	-	75,00,000.00	63,60,000.00	-	5,00,000.00	2,10,00,000.00	1,13,50,000.00
Closing Balance	22,00,000.00	86,00,000.00	2,00,00,000.00	2,00,00,000.00	1,95,00,000.00	1,09,00,000.00	00.00
Increase (Decrease)	22,00,000.00	64,00,000.00	1,14,00,000.00	-	(5,00,000.00)	(86,00,000.00)	(1,09,00,000.00)



### 3.2 Long term loans:

(Fig in Rs.)

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Opening Balance	2,03,05,000	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	
Receipts	1,17,50,000.00	-	-	-	-	3,20,55,000.00	
Payments	-	-	-	-	-	-	
Closing Balance	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	3,20,55,000.00	
Increase / (Decrease)	1,17,50,000.00					(3,20,55,000.00)	

#### Analysis:

- The borrower has unsecured loans from directors.
- The entire short term loans from directors were repaid during the year 2022-23 and 2023-24.
- The entire long term loans from were repaid during the year 2022-23.



A. Utilization of credit facilities / End use of funds availed by the borrower company is as follows:

KALLAM SPINNING MILLS LTD.,

CHOWDAVARAM::GUNTUR

Repayment Details of Term Loans

Sl.No	Name of the Bank	Term Loan	GECL Amount Disbursement		Total GECL Amount Disbursed	Repayment amount paid 2019-20	Repayment amount paid 2020-21	March 2021 Qtr. Repayment Paid in April first week	Repayment amount paid 2021-22	Repayment amount paid 2022-23	Repayment amount paid 2023-24	Total Amount Repaid
			2020-21	2021-22								
SPINNING DIVISION			GECL Amount Disbursement									
1	AB	0 150301 000068 52				1,55,38,000.00						1,55,38,000.00
2	AB	0 150301 000060 83				36,00,000.00	1,22,30,920.00	62,27,823.00	2,89,77,116.00			4,28,88,854.00
3	AB	0 150301 000106 06				90,00,800.00	2,85,25,763.00	1,42,67,881.00	10,94,14,407.00			14,60,40,170.00
4	AB	0 150301 000204 45				7,50,000.00	7,46,964.00	3,72,487.00	27,50,334.00	14,53,930.00	13,54,040.00	71,05,288.00
5	AB	0 150301				30,00,000.00	35,30,835.00	17,65,817.00	98,27,085.00	2,63,11,668.00	7,15,35,417.00	6,39,85,004.00







**5. Fixed Assets:**

Position of Fixed Assets during audit period is as follows;

(Fig in Rs.)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Opening WDV	1,27,64,02,163.00	1,27,33,33,499.00	2,69,78,35,061.00	2,95,67,46,896.00	3,57,37,59,113.00	4,15,68,45,036.00	4,09,01,26,212.00	3,94,16,18,059.00	3,94,01,08,000.00	3,78,41,81,000.00
Add: Addition during the year	7,66,22,422.00	1,52,71,14,660.00	38,87,79,660.00	14,03,97,658.00	10,41,95,814.00	9,01,43,504.00	78,13,790.00	15,07,58,417.00	47,16,000.00	12,39,48,000.00
Add: Revaluation	-	-	-	60,81,86,602.00	62,16,58,897.00	-	-	-	-	-
Less: Deletion during the year	-11,08,194.00	-2,85,266.00	-4,60,374.00	-78,16,086.00	11,17,009.00	32,701.00	31,995.00	20,951.00	38,41,000.00	10,47,000.00
Less: Depreciation	-2,85,96,532.00	10,23,27,812.00	12,94,07,481.00	13,60,90,327.00	14,16,87,735.00	15,68,28,627.00	15,02,69,948.00	15,22,67,748.00	15,68,00,000.00	15,67,80,000.00
Closing WDV	1,27,33,33,499.00	2,69,78,35,061.00	2,95,67,46,896.00	3,56,14,24,713.00	4,15,68,45,036.00	4,09,01,26,212.00	3,94,16,18,059.00	3,94,01,07,777.00	3,78,41,82,000.00	3,75,05,02,000.00

**Analysis:**

- The fixed assets are 02 inclusive of the value of Land.
- During the transition period from Accounting Standards to Indian Accounting Standards in the year 2016-17 and 2017-18, the land and building was revalued amounting Rs.60,82 Cr. and Rs.62,17 Cr. respectively.
- Due to the transition revaluation, there is change in the opening balance for the year 2017-18 amounting Rs.1.23 Cr.



6. Debtors External Confirmation

6.1 We had sent the External Confirmation request to following Debtors to registered e-mail ID and registered address available on the MCA portal:

S.No	Party Name	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1.	Ambica Syntab Pvt. Ltd.					1,03,48,403.00	1,69,34,416.63	
2.	Artex Trends (India) Pvt.Ltd.					2,91,99,845.58	67,55,735.88	
3.	Avind limited			1,60,17,435.54				
4.	Bang Overseas Ltd						14,802.61	
5.	Barktech Synth Processors				1,66,98,923.58	1,53,23,582.70	1,25,91,155.93	
6.	BRFL Textiles Pvt.Ltd.					1,24,952.33	42,11,414.42	
7.	Geetertex Silk Mills Pvt. Ltd.					85,80,125.43	29,539.61	
8.	Choice Clothing Co. Pvt. Ltd.						5,252.69	
9.	Darmodar Industries Limited			1,54,01,571.00				





10.	Dilip Industries								59,492.00
11.	G.S. Exports Pvt.Ltd. Mumbai						7,835.47		
12.	Gimatex Industries Pvt. Ltd.	41,89,802.00	17,13,150.00		1,41,98,925.00	1,55,05,750.00			
13.	Gopi Synthetics		1,13,45,712.36						
14.	Gupta Trading Co.	29,65,218.00	89,53,566.00			96,13,953.00	2,56,80,366.00	6,50,21,928.00	
15.	Jain Cord Industries Pvt. Ltd.					1,85,45,135.64			
16.	Jatin N Dani						1,24,75,469.42		
17.	Jindal World Wide Ltd.	1,50,59,857.06	96,18,724.64	1,94,04,209.32					
18.	L1 Supercom India Pvt Ltd							2,52,14,742.00	
19.	M.S Textiles								52,613.00
20.	Mahima Fibers Pvt Ltd.				1,06,80,000.00				
21.	Modelama Exports Pvt. Ltd.					7,08,192.37	17,861.77		
22.	Nirbhay Textile Mill						1,47,35,283.90		



23.	Parth International Pvt.Ltd.		1,74,43,888.51						
24.	Raj Commercial							9,50,008.00	
25.	Rajendra Oil Products							1,02,22,368.00	
26.	Richa & Co.					8,081.46			
27.	Richa Global Exports Pvt.Ltd.			42,60,972.00		66,992.45			
28.	Richco Exports Pvd. Ltd.							32,16,916.44	
29.	RMP Fab Sourcing Pvt. Ltd.					1,19,11,300.93			
30.	Shahi Exports Pvt Ltd. (Banglore)				1,24,23,442.50				
31.	Shahi Exports Pvt Ltd.	7,92,814.60							
32.	Shahi Exports Pvt Ltd. (Ghaziabad)			1,32,60,804.14	42,59,682.63	34,50,453.65		44,56,967.56	
33.	Shahi Exports Pvt Ltd. Noida		75,346.00						
34.	Shree Parshwa Enterprises, Ahmedabad			1,00,58,979.89					



35.	Smitjee Lifestyle Pvt Ltd	2,98,98,924.50	1,11,24,331.34	64,04,587.00	1,88,94,493.44	1,11,90,072.36		
36.	Silver Angel Impex Limited			1,33,22,784.00	2,49,09,970.00		1,15,96,746.00	
37.	Universal Cottex	46,93,248.00	84,00,806.00					
38.	Universal Splintex						21,54,366.00	1,27,086.00
39.	Vedanta Creations Ltd.	16,10,14,407.16	19,287.93	12,22,933.37			9,78,209.85	
40.	Vikram Traders					49,82,745.03		
41.	Vishal Fabrics limited			11,63,345.29				



6.2 Following debtors responded to the External Confirmation:

S.No.	Party Name	2017	2018	2019	2020	2021	2022	2023	2024	Remarks
1.	Benkesh Synth Processors					1,40,28,817.76	92,20,148.02	77,18,476.02		Difference in balances in year 2021, 2022 & 2023.
2.	Dilip Industries									No difference, only TDS balance is pending.
3.	Gimatex Industries Pvt. Ltd.							Nil	Nil	Difference in balances in 2021 and 2022. It is cleared in 2023-24.
4.	Gopi Synthetics			1,13,45,711.00						No Difference
5.	Jatin N Dani							1,24,75,469.42		No Difference
6.	LI Supercom India Pvt Ltd								2,51,95,728.00	No Difference
7.	M.S Textiles							2,722.00	57,417.00	No Difference



8.	Hajendra Oil Products			24,49,407.00	1.54	1.54	1.74	1,02,25,814.24	1,997.26	No difference			
9.	Richea Global Exports Pvt.Ltd.			12,776.40	42,51,043.88	76,239.88	56,998.29	1,66,462.77	99,660.56	No major difference			
10.	Universal Cottex			84,00,806.00	-					No difference			
11.	Universal Spintex							21,54,366.00		No Difference			
12.	Vishal Fabrics limited			13,45,721.00	98,96,216.00	83,407.00	16,55,316.00	-	-	No Difference			
13.	Vedanta Creations									The debtor responded with the mail dated 18.07.2024 that the balance confirmation will be provided in the second week of June. However, no further confirmation/communication was received till date of conclusion of audit.			
14.	Bang Overseas									The debtor responded with the mail dated 18.07.2024 that the balance confirmation will be provided in the second week of June. However, no further confirmation/communication was received till date of conclusion of audit.			
15.	Gupta Trading Co.			6,47,82,222	29,65,217.30	89,53,560	-	-	-	96,14,928.80	2,56,75,540.00	not provided	No difference in the years for which confirmation received.



### 8. Cash Withdrawals

7.1 The borrower had withdrawn cash every year for purchase of Kappas in cash. The summary of the annual cash withdrawals from Andhra/Union Bank of India is as follows:

Months	2018-19		2019-20		2020-21		2021-22		2022-23		2023-24	
	Purchase of Kappas	Cash Withdrawn	Purchase of Kappas	Cash Withdrawn	Purchase of Kappas	Cash Withdrawn	Purchase of Kappas	Cash Withdrawn	Purchase of Kappas	Cash Withdrawn	Purchase of Kappas	Cash Withdrawn
April	3,45,53,932.40	2,20,00,000.00	3,75,12,467.72	2,89,85,000.00	-	-	18,00,000.00	10,49,500.00	20,00,000.00	4,09,78,812.75	5,75,00,000.00	
May	4,58,30,571.41	2,80,00,000.00	7,15,91,913.41	7,50,00,000.00	-	-	31,00,000.00	5,25,25,705.25	4,00,00,000.00	4,49,92,693.00	6,70,00,000.00	
June	6,33,35,492.23	5,45,00,000.00	5,95,05,327.67	6,27,00,000.00	-	-	1,89,00,000.00	6,57,40,394.80	7,40,00,000.00	2,81,86,900.10	3,25,00,000.00	
July	31,39,739.60	1,55,00,000.00	96,87,702.66	1,60,00,000.00	32,00,000.00	1,25,17,852.15	1,87,00,000.00	26,17,941.60	95,00,000.00	-	65,00,000.00	
Aug.	15,48,074.50	75,00,000.00	-	1,22,00,000.00	26,50,000.00	-	41,00,000.00	-	68,00,000.00	-	75,00,000.00	
Sept.	-	57,00,000.00	-	-	45,00,000.00	2,04,50,346.00	1,94,00,000.00	-	70,00,000.00	-	74,00,000.00	
Oct.	4,94,51,575.84	3,39,00,000.00	50,50,093.05	-	49,00,000.00	1,74,18,823.80	2,87,00,000.00	-	54,00,000.00	1,24,740.00	65,00,000.00	



Nov.	14,32,70.95 8.44	14,25,00.00 0.00	6,08,21,643 .41	3,10,00,000 .00	22,60,090.0 9	42,50,000.0 0	2,58,39,380 .25	2,68,00,000 .00	5,50,45,312 .75	6,10,00,000 .00	3,38,83,499 .75	3,86,00,000 .00
Dec.	9,30,48,641 .95	9,37,00,000 .00	9,35,32,255 .84	7,50,00,000 .00	-	45,00,000.0 0	6,65,35,980 .40	8,04,00,000 .00	3,16,29,391 .75	3,35,00,000 .00	98,52,602.1 5	1,53,00,000 .00
Jan.	7,61,33,560 .61	7,60,00,000 .00	6,98,08,518 .73	6,05,00,000 .00	-	29,00,000.0 0	34,64,402.0 0	50,00,000.0 0	2,43,44,145 .75	3,40,00,000 .00	-	-
Feb.	6,00,16,517 .77	7,55,00,000 .00	2,27,52,385 .63	1,25,00,000 .00	-	19,00,000.0 0	-	77,00,000.0 0	3,29,45,790 .35	1,54,00,000 .00	-	-
March	4,81,48,626 .80	7,45,00,000 .00	1,17,96,386 .64	1,75,00,000 .00	-	38,00,000.0 0	-	1,22,00,000 .00	6,21,34,287 .00	6,67,00,000 .00	-	-
Total	61,84,77,69 1.55	62,93,00,00 0.00	46,22,56,69 4.76	39,13,85,00 0.00	22,60,080.0 9	3,26,00,000 .00	16,33,52,05 8.79	22,63,00,00 0.00	30,80,32,40 9.25	35,53,00,00 0.00	15,80,19,24 7.75	23,88,00,00 0.00

**Analysis:**

- The borrower makes purchases of Kappas for manufacturing of Cotton Lint in the Spinning/Ginning Division. It also purchases the Cotton Lint, apart from manufacturing.
- All Kappas is purchased in cash only from Farmers.
- For the above purchase, the borrower sends cash withdrawal requisition to the bank mentioning the name of the specific Farmer.
- However, during the course of audit, we observed that the few payments are not made to the same person whose name is mentioned in the requisition letter sent to bank. Also, few payments are not made on that particular date. The requisition letter and payment details are attached for you reference. However, all the payments are made to farmers only for purchase of Kappas.



### 7.2 Repair and Maintenance

-The borrower has made repair and maintenance expenses for all the divisions. However, major expenses are done in cash.

Year	Spinning		Weaving		Dyeing	
	Expense	In Cash	Expense	In Cash	Expense	In Cash
2017-18	4,94,67,327.27	3,71,40,027.00	33,10,364.00	2,22,316.00	2,74,300.00	
2018-19	6,61,56,894.81	4,61,39,957.50	49,87,310.00	75,620.00	1,55,051.00	
2019-20	4,11,36,994.50	2,69,00,961.00	38,87,203.00	32,301.00	34,196.00	
2020-21	2,84,72,012.68	1,85,34,480.00	26,07,112.00	1,02,712.00	96,362.00	
2021-22	6,09,23,489.78	4,64,43,864.00	30,25,855.00	41,050.00	1,11,469.00	
2022-23	7,57,00,880.00	5,53,86,080.00	52,69,870.55	4,00,028.00	1,13,144.00	
2023-24	6,53,84,183.45	4,53,19,531.00	56,07,348.03	6,40,152.00	-	

#### Analysis:

- As informed by the borrower, the labour turnover ratio in this industry is very high. Therefore, it is not possible to register all the labourers under PF and ESIC Act. Hence, the borrower has implemented policy of making payments of salary and wages to labourer in cash and classifying the same under Repair and Maintenance expense head.





7.3 The borrower maintains high cash balances in Spinning Division and withdrawals were made till November 2023. The yearly month-wise cash closing balances and highest balances summary (Spinning Division) is as follows:

Month	2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24	
Month	Closing	Monthly Highest	Closing	Monthly Highest	Closing	Monthly Highest	Closing	Monthly Highest	Closing	Monthly Highest	Closing	Monthly Highest	Closing	Monthly Highest
April	8,54,281.54	32,01,416.54 on 11th	17,14,610.00	1,00,33,584.00 4 on 12th	7,07,658.04	72,25,705.04 on 12th	16,41,104.04	16,79,612.04 on 01st	8,53,138.04	11,91,751.04 on 11th	3,07,710.04	7,85,204.04 on 02nd	1,80,85,015.00	2,59,67,718.00 4 on 15th
May	10,71,744.54	8,13,428.54 on 29th	8,90,145.00	81,11,502.04 on 10th	8,20,834.04	72,25,705.04 on 12th	12,88,758.04	2,19,688.04 on 12th	5,58,792.04	10,19,488.04 on 11th	2,45,194.04	1,91,06,816.00 4 on 12th	1,27,52,387.00	1,05,59,709.00 4 on 15th
June	97,967.54	63,57,578.54 on 12th	8,82,968.00	1,07,97,972.04 on 12th	94,901.04	88,04,185.04 on 12th	5,56,133.04	13,86,378.04 on 01st	5,26,138.04	12,86,378.04 on 01st	19,48,477.00	1,39,32,001.00 4 on 17th	5,63,738.04	1,57,32,387.00 4 on 15th
July	11,18,319.54	67,50,100.54 on 7th	15,53,690.00	34,30,807.04 on 12th	2,20,601.04	53,81,454.04 on 11th	28,30,189.04	22,90,833.04 on 27th	1,26,134.04	26,56,386.04 on 7th	13,18,794.04	72,13,808.04 on 12th	13,88,530.04	36,82,881.04 on 15th
Aug.	74,080.54	91,75,628.54 on 17th	74,34,985.00	88,71,972.04 on 18th	24,47,162.04	77,31,582.04 on 12th	20,01,519.04	18,82,567.04 on 18th	9,29,278.04	21,53,487.04 on 12th	2,57,285.04	88,12,809.04 on 10th	22,82,036.04	96,70,629.04 on 11th
Sept.	10,71,336.54	71,77,197.54 on 09th	86,511.04	87,71,620.04 on 21st	8,28,628.04	24,37,747.04 on 07th	45,659.04	42,04,878.04 on 17th	31,29,878.04	67,67,498.04 on 13th	2,48,576.04	74,98,793.04 on 13th	8,88,250.04	54,11,235.04 on 13th
Oct.	2,37,243.54	9,17,642.54 on 01st	49,84,835.04	85,61,207.04 on 01st	5,17,874.04	8,03,528.04 on 01st	7,46,193.04	10,35,547.04 on 13th	36,78,120.04	81,37,507.04 on 27th	2,08,845.04	26,70,370.04 on 12th	4,78,602.04	43,51,707.04 on 13th
Nov.	1,79,301.54	99,15,880.54 on 09th	80,981.04	1,43,83,896.00 4 on 29th	1,29,089.04	45,74,989.04 on 17th	2,87,622.04	27,27,788.04 on 06th	46,062.04	70,81,514.04 on 02nd	71,31,805.04	1,48,04,885.00 4 on 30th	4,78,340.04	1,50,78,501.00 4 on 15th
Dec.	4,28,86.54	1,04,26,013.54 4 on 17th	11,41,158.04	82,07,728.04 on 9th	75,006.04	88,79,380.04 on 12th	5,88,805.04	11,04,388.04 on 12th	54,41,234.04	2,39,67,903.00 4 on 14th	5,03,118.04	1,11,84,218.00 4 on 7th	6,82,529.04	69,42,739.04 on 12th
Jan.	3,66,158.54	52,28,471.54 on 16th	6,64,100.04	1,08,52,401.00 4 on 19th	8,02,820.04	1,09,15,131.00 6 on 6th	8,40,547.04	23,15,286.04 on 12th	1,48,818.04	78,19,684.04 on 12th	24,06,196.04	96,13,147.04 on 27th	7,44,841.04	8,81,243.04 on 19th
Feb.	11,80,886.54	56,43,887.54 on 11th	1,18,175.04	77,36,457.04 on 12th	3,67,115.04	22,20,194.04 on 08th	8,15,273.04	14,24,132.04 on 20th	8,75,904.04	44,15,985.04 on 16th	11,18,435.04	52,20,440.04 on 01st	9,07,120.04	10,16,963.04 on 19th
March	42,79,251.54	2,07,50,213.54 4 on 28th	14,43,415.04	79,72,200.04 on 28th	16,79,028.04	31,21,884.04 on 08th	5,17,984.04	13,62,280.04 on 25th	7,88,320.04	62,47,715.04 on 14th	4,44,422.04	2,01,10,783.00 4 on 29th	10,88,789.04	10,89,248.04 on 31st



8. Stock Details.:

8.1 Comparison of stock as per books and as per stock statement submitted to banks:

Spinning Division			
Year	SS Date	Stock as per SS	Books as on 31.03
2017-18	28.03.18	68,69,29,671.00	56,74,10,220.00
2018-19	28.03.19	84,62,01,918.00	59,72,11,867.00
2019-20	28.03.20	1,00,04,22,467.00	47,43,86,369.00
2020-21	28.03.21	96,87,48,593.00	55,61,23,385.00
2021-22	28.03.22	68,26,76,425.00	52,23,23,751.00
2022-23	28.02.23	1,11,08,63,947.00	62,63,90,728.00

Weaving Division			
Year	SS Date	Stock as per SS	Books as on 31.03
2017-18	28.03.18	55,93,39,219.00	31,78,68,749.25
2018-19	28.03.19	56,92,03,383.00	37,10,89,766.55
2019-20	28.03.20	59,82,63,129.00	38,61,65,472.38
2020-21	28.03.21	64,56,66,631.00	41,56,04,200.02
2021-22	28.03.22	61,39,70,853.00	59,28,13,160.78
2022-23	28.02.23	64,79,92,342.00	63,53,93,968.87



Dyeing Division			
Year	SS Date	Stock as per SS	Books as on 31.03
2017-18	31.03.18	6,75,92,593.00	
2018-19	31.03.19	6,81,30,933.00	
2019-20	31.03.20	6,81,28,316.00	
2020-21	31.03.21	6,75,97,468.00	
2021-22	28.03.22	5,61,48,815.00	
2022-23	28.02.23	6,82,18,886.00	

Total				
Year	SS Date	Stock as per SS	as on 31.03	Overvalued Stock
2017-18	28.03.18	1,31,38,61,483.00	88,52,78,969.25	42,85,82,513.75
2018-19	28.03.19	1,48,35,36,234.00	96,83,01,633.55	51,52,34,600.45
2019-20	28.03.20	1,66,68,13,912.00	86,05,51,841.38	80,62,62,070.62
2020-21	28.03.21	1,68,20,12,692.00	97,17,27,585.02	71,02,85,106.98
2021-22	28.03.22	1,35,27,96,093.00	1,11,51,36,911.78	23,76,59,181.22
2022-23	28.02.23	1,82,70,75,175.00	1,26,17,84,696.87	56,52,90,478.13

**Analysis:**

- The borrower submits separate monthly stock statement to the lender banks.
- During the analysis, it is observed that there are huge differences in stock balances as per the stock statements submitted to bank and stock as per the books of the borrower.



8.2 Quantity wise Stock Details

Spinning Division

2013-14

	Kappas	Cotton/Int	Cotton Seed	Cotton Waste - Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste
Opening Stock (in K.G)	21,572.00	-	28,97,101.00	2,07,077.00	1,75,516.00	1,38,120.00	5,551.00	17,609.00
Purchase	1,29,85,627.00							
Receipt From Production/other Purchase		40,88,817.00	95,41,152.00	68,63,764.00	55,96,349.00	54,47,945.04	20,01,872.00	12,20,933.90
Total Inward	1,30,07,199.00	40,88,817.00	1,24,38,253.00	70,70,841.00	57,71,865.00	55,86,065.04	20,07,473.00	12,38,547.90
Issued To Production	1,25,83,111.00	40,65,987.00	77,65,183.00	66,78,948.00				
Transfer to Oe/Other Department			77,64,767.00					5,60,707.00
Sales		22,830.00			54,94,467.37	53,67,718.80	19,90,913.00	6,45,941.00
Total Outward	1,25,83,111.00	40,88,817.00	1,00,29,950.00	66,78,948.00	54,94,467.37	53,67,718.80	19,90,913.00	12,06,648.00
Closing Stock	4,24,088.00	-	24,08,303.00	3,91,893.00	2,77,397.63	2,18,346.24	16,510.00	31,894.90



2014-15

2014-15	Kappas	CottonLint	Cotton Seed	Cotton Waste -Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn
Opening Stock (in K.g)	4,24,088.00	-	24,08,303.00	3,91,893.00	2,77,398.58	2,18,346.24	16,510.00	31,894.90	-
Purchase	1,19,04,903.00				9,072.00	94,500.00	21,73,384.00		29,546.40
Receipt From Production/other Purchase		39,63,851.00	1,01,13,923.00	69,76,651.00	60,12,477.21	56,75,101.28	-	13,41,529.90	-
Total Inward	1,23,28,991.00	39,63,851.00	1,25,22,226.00	73,68,544.00	62,98,947.79	59,87,947.52	21,89,894.00	13,73,424.80	29,546.40
Issued To Production	1,22,14,825.00	39,39,186.00	81,61,961.00	69,75,606.00			-		-
Transfer to Oe/Other Department			16,30,843.00	-	21,71,924.83	9,14,333.76	18,09,855.00	5,30,056.00	
Sales		24,665.00	-	-	38,29,261.36	49,18,589.16	3,73,925.40	8,34,880.00	22,571.40
Total Outward	1,22,14,825.00	39,63,851.00	97,92,804.00	69,75,606.00	60,01,186.19	58,32,922.92	21,83,780.40	13,64,936.00	22,571.40
Closing Stock	1,14,166.00	-	27,29,422.00	3,92,938.00	2,97,761.60	1,55,024.60	6,113.60	8,488.80	6,975.00



2015-16	Kappas	Cottonlint	Cotton Seed	Cotton Waste - Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn
Opening Stock (in K.g)	1,14,167.00	-	14,920.00	3,92,938.00	2,23,007.20	1,33,484.40	6,113.60	8,488.40	6,975.00
Purchase	1,16,17,731.00	-	-	-	-	-	22,62,831.00	-	-
Receipt From-Production/other Purchase	-	34,12,504.00	68,61,531.00	72,81,684.00	63,03,163.05	58,83,494.50	-	15,10,837.30	70,122.00
Total Inward	1,17,31,898.00	34,12,504.00	68,76,451.00	76,74,622.00	65,26,170.25	60,16,978.90	22,68,944.60	15,19,325.70	77,097.00
Issued To Production	1,06,97,072.00	-	-	73,67,842.00	-	-	-	-	-
Transfer to Oe/Other Department	-	33,83,799.00	-	-	39,06,733.09	7,02,712.50	18,39,392.00	6,32,750.00	-
Sales/Shortage	5,850.00	28,705.00	68,33,480.00	-	23,15,975.36	51,19,289.40	4,04,216.00	8,76,910.00	72,540.00
Total Outward	1,07,02,922.00	34,12,504.00	68,33,480.00	73,67,842.00	62,22,708.45	58,22,001.90	22,43,608.00	15,09,660.00	72,540.00
Closing Stock	10,28,976.00	-	42,971.00	3,06,780.00	3,03,461.80	1,94,977.00	25,336.60	9,665.70	4,557.00



2016-17	Kappas	CottonLint	Cotton Seed	Cotton Waste - Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn
Opening Stock (in K.G)	10,28,975.00	-	42,971.00	3,06,780.00	1,96,394.80	1,62,024.00	25,336.60	9,666.10	4,557.00
Purchase	93,64,275.00				60,82,715.40			9,45,143.90	
Receipt From Production/other Purchase	-	32,93,310.00	64,67,063.00	65,79,911.00		57,63,008.50	22,72,194.10		15,958.80
Total Inward	1,03,93,250.00	32,93,310.00	65,10,034.00	68,86,691.00	62,79,110.20	59,25,032.50	22,97,530.70	9,54,810.00	20,515.80
Issued To Production	1,02,74,259.00			66,72,366.00					
Transfer to Oe/Other Department				16,960.00	43,94,398.06	6,32,914.50	19,14,779.00		
Sales/Shortage		33,866.00	64,90,059.00		15,80,320.14	50,45,664.00	3,46,335.00	9,25,247.00	20,515.80
Total Outward	1,02,74,259.00	32,93,310.00	64,90,059.00	66,89,326.00	59,74,718.20	56,78,578.50	22,61,114.00	9,25,247.00	20,515.80
Closing Stock	1,18,991.00	-	19,975.00	1,97,365.00	3,04,392.00	2,46,454.00	36,416.70	29,563.00	-



2017-18	Kappas	CottonLint	Cotton Seed	Cotton Waste -Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn	Hank Yarn
Opening Stock (in K.g)	1,18,991.00	-	19,976.00	1,97,365.00	1,54,086.00	2,24,040.00	36,416.00	29,563.00	-	-
Purchase	1,43,84,478.00			73,38,408.00						
Receipt From Production/other Purchase		45,19,923.00	92,91,289.00		65,04,620.48	58,67,136.40	24,40,513.00	10,91,423.40	6,045.00	372.00
Total Inward	1,45,03,469.00	45,19,923.00	93,11,265.00	75,35,773.00	66,58,706.48	60,91,176.40	24,76,929.00	11,20,986.40	6,045.00	372.00
Issued To Production	1,41,86,465.00									
Transfer to Oe/Other Department		45,19,923.00			42,09,314.90	10,87,615.20	71,96,464.00			
Sales/Shortage	5,290.00		92,91,664.00	69,70,315.00	21,80,707.49	49,73,135.12	2,35,371.00	10,80,815.00	5,859.00	186.00
Total Outward	1,41,91,755.00	45,19,923.00	92,91,664.00	69,70,315.00	63,90,022.39	60,60,750.32	24,31,835.00	10,80,815.00	5,859.00	186.00
Closing Stock	3,11,714.00	-	19,601.00	5,65,458.00	2,68,664.09	30,426.08	45,094.00	40,171.40	186.00	186.00





2018-19	Kappas	CottonLint	Cotton Seed	Cotton Waste -Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn	Blank Yarn
Opening Stock (In K.g)	3,11,714.00	-	19,601.00	5,65,458.00	1,75,734.60	22,800.00	45,094.00	40,171.00	186.00	186.00
Purchase	1,22,28,966.00			65,47,279.00	2,44,073.60	1,55,999.88	22,60,916.00	10,83,359.00		
Receipt From Production/other Purchase		40,40,225.00	80,62,774.00		60,44,045.60	54,23,347.12			4,464.00	1,023.00
Total Inward	1,25,40,680.00	40,40,225.00	80,82,375.00	71,12,737.00	64,63,853.80	56,02,087.00	23,06,010.00	11,23,530.00	4,650.00	1,209.00
Issued To Production	1,25,04,402.00			66,08,914.00						
Transfer to Oe/Other Department		40,40,225.00			40,29,245.58	8,31,967.12	19,92,581.00			
Sales/Shortage	23,045.00		80,66,759.00		22,47,114.58	46,82,851.84	3,08,283.00	11,11,863.00	3,906.00	
Total Outward	1,25,27,447.00	40,40,225.00	80,66,759.00	66,08,914.00	62,76,360.16	55,14,818.96	23,00,864.00	11,11,863.00	3,906.00	
Closing Stock	13,233.00	-	15,616.00	5,03,823.00	1,87,493.64	87,268.04	5,146.00	11,667.00	744.00	1,209.00





	Kapas	Entsutan	Cotton Seed	Cotton Waste - De	Cotton Yarn	De Yarn	Cotton Waste	De Waste	Wooling Yarn	Wooling Division	YARN MILC
Opening Stock (in K.R)	154.00	-	9,260.00	5,81,407.00	3,13,316.88	3,07,239.88	44,471.00	44,089.40	930.00	1,209.00	-
Purchase	42,878.00	-	-	-	64,832.00	49.93	-	-	-	-	64,832.00
Receipt	-	-	-	-	-	-	-	-	-	-	-
From Production/other Purchase	-	14,338.00	26,851.00	45,90,565.00	39,56,551.38	38,25,890.00	13,27,181.00	9,87,628.00	465.00	-	-
Total Inward	43,032.00	14,338.00	36,111.00	51,71,952.00	43,34,700.26	41,33,179.89	13,71,652.00	10,31,717.40	1,395.00	1,209.00	64,832.00
Issued To Production	-	-	-	-	-	-	-	-	-	-	-
Transfer to De/Other Department	-	14,338.00	-	48,03,384.00	-	1,45,097.50	11,41,964.00	2,48,955.00	-	-	-
Sales/Shortage	-	-	25,710.00	-	41,86,158.86	38,41,930.15	96,059.00	5,61,808.00	-	-	64,832.00
Total Outward	-	14,338.00	25,710.00	48,03,384.00	41,86,158.86	39,87,027.65	12,38,023.00	8,10,763.00	-	-	64,832.00
Closing Stock	43,032.00	-	10,401.00	3,68,568.00	1,48,541.40	1,46,152.24	1,33,629.00	2,20,954.40	1,395.00	1,209.00	-



2021-2022	Kappas	Cottonlint	Cotton Seed	Cotton Waste-Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Weaving Yarn	Hank Yarn Weaving Division	YARN MELC
Opening Stock (in K.g)	-	-	10,401.00	3,68,568.00	1,19,406.00	1,28,279.20	1,33,629.00	2,20,954.40	1,302.00	1,302.00	-
Purchase	22,56,973.00										
Receipt From Production/other Purchase		7,15,441.00	14,68,283.00	76,31,757.00	64,44,393.28	57,52,417.44	22,95,007.00	16,32,391.00			
Total Inward	22,56,973.00	7,15,441.00	14,78,684.00	80,00,325.00	65,63,799.28	58,80,696.64	24,28,636.00	18,53,345.40	1,302.00	1,302.00	
Issued To Production											
Transfer to Oe/Other Department	22,56,906.00	7,15,441.00		77,12,762.00	11,11,781.04	3,32,940.00	21,80,075.00	5,58,083.00			
Sales/Shortage	-		14,77,030.00	8,953.00	51,76,892.24	54,22,996.32	2,34,536.00	12,60,357.00			
Total Outward	22,56,906.00	7,15,441.00	14,77,030.00	77,21,715.00	62,88,673.28	57,55,936.32	24,14,611.00	18,18,440.00			
Closing Stock	67.00	-	1,654.00	2,78,610.00	2,75,126.00	1,24,760.32	14,025.00	34,905.40	1,302.00	1,302.00	





2023-2024	Kappas	Cottonlint	Cotton Seed	Cotton Waste -Oe	Cotton Yarn	Oe Yarn	Cotton Waste	Oe Waste	Hank Yarn Weaving Division	Polyester Cotton Yarn	Polyester Viscos Yarn
Opening Stock (in K.g)	687.00	-	2,438.00	1,67,392.00	2,80,288.00	2,10,673.36	19,652.00	10,203.40	-	12,672.00	35712
Purchase									40,641.00		30
Receipts From/Production /Other Purchase	22,71,942.00	7,48,917.00	14,44,902.00	44,63,409.00	61,34,912.50	33,71,967.50	12,81,788.00	10,30,712.00			
Total Inward	22,72,629.00	7,48,917.00	14,47,360.00	46,30,801.00	63,95,200.50	35,82,640.86	13,01,440.00	10,40,915.40	40,641.00	12,672.00	35,742.00
Issued To Production				43,24,721.00		50,450.00					
Transfer to Oe/Other Department	22,71,759.00	7,48,917.00			7,15,566.50		9,08,959.00	1,94,899.00			
Sales/Shortage			14,45,101.00	12,037.00	55,38,034.00	34,42,342.50	2,71,104.00	7,32,957.00	36,363.00	12,672.00	35742
Total Outward	22,71,759.00	7,48,917.00	14,45,101.00	43,36,258.00	62,54,000.50	34,92,792.50	11,80,083.00	9,27,456.00	36,363.00	12,672.00	35,742.00
Closing Stock	670.00	-	2,239.00	2,94,543.00	1,41,200.00	89,848.36	1,21,377.00	1,13,459.40	4,278.00	-	-



Weaving and Dyeing Division

2014-15	Cotton Yarn	Fabric Cloth	Waste
Opening Stock (in K.g)	1,09,215.00	15,15,435.00	7,676.00
Purchase	40,56,570.00		
Receipt From Production/other Purchase		1,20,07,048.00	74,514.00
Total Inward	41,65,785.00	1,35,22,483.00	82,190.00
Issued To Production	41,33,614.00		
Transfer to Other Department			
Sales		1,22,08,352.00	26,210.00
Total Outward	41,33,614.00	1,22,08,352.00	26,210.00
Closing Stock	32,171.00	13,14,131.00	55,980.00

2015-16	Cotton Yarn	Fabric Cloth	Waste
Opening Stock (in K.g)	32,171.00	13,14,131.00	55,980.00
Purchase	53,12,098.00		
Receipt From Production/other Purchase		2,62,81,081.00	1,40,063.00
Total Inward	53,44,269.00	2,75,95,212.00	1,96,043.00
Issued To Production	51,14,122.00		
Transfer to Other Department	1,81,648.00		
Sales	7,330.00	2,61,64,177.00	1,83,921.00
Total Outward	53,03,100.00	2,61,64,177.00	1,85,457.00
Closing Stock	41,169.00	14,31,035.00	10,586.00



2016-17	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.g)	41,169.00	14,31,035.00	10,586.00	4,824.00	-
Purchase					
Receipt From Production/other Purchase	51,83,824.00	2,82,00,255.00	1,53,451.00	6,80,693.00	6,99,815.00
Total Inward	52,24,993.00	2,96,31,290.00	1,64,037.00	6,85,457.00	6,99,815.00
Issued To Production	4,51,821.00				
Transfer to Other Department	45,40,837.00	1,54,304.00		6,72,802.00	6,87,418.00
Sales	2,06,829.00	2,86,61,269.00	1,56,601.00	-	1,749.00
Total Outward	51,99,487.00	2,88,15,573.00	1,56,601.00	6,72,802.00	6,89,167.00
Closing Stock	25,506.00	8,15,717.00	7,436.00	12,655.00	10,648.00

2017-18	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.g)	25,506.00	8,15,717.00	7,436.00	12,655.00	10,648.00
Purchase					
Receipt From Production/other Purchase	50,80,029.00	2,87,14,739.00	1,65,752.00	5,54,920.00	13,06,081.00
Total Inward	51,05,535.00	2,95,30,456.00	1,73,188.00	5,67,575.00	13,16,729.00
Issued To Production	49,08,430.00			5,57,291.00	
Transfer to Other Department	1,73,892.00	1,99,359.00			13,07,193.00
Sales	4,900.00	2,80,72,641.00	1,68,248.00		
Total Outward	50,87,222.00	2,82,72,000.00	1,68,248.00	5,57,291.00	13,07,193.00
Closing Stock	18,313.00	12,58,456.00	4,940.00	10,284.00	9,536.00





2018-19		Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.R)	1,12,849.00	12,58,456.00	4,940.00	10,284.00	17,72,887.00	10,970.00
Purchase						
Receipt From Production/other Purchase	47,78,582.00	2,76,84,459.00	1,40,635.00	5,36,681.00	17,83,857.00	
Total Inward	48,91,431.00	2,89,42,915.00	1,45,575.00	5,46,965.00		
Issued To Production	48,34,678.00					
Transfer to Other Department						
Sales	39,064.00	2,81,55,307.00	1,41,524.00	5,34,940.00	17,67,636.00	
Total Outward	48,73,742.00	2,81,55,307.00	1,41,524.00	5,34,940.00	17,67,636.00	
Closing Stock	17,689.00	7,87,608.00	4,051.00	12,075.00	16,221.00	

2019-20		Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.R)	84,035.00	6,60,000.00	4,051.00	12,075.00	20,827.00	1,58,104.00
Purchase						
Receipt From Production/other Purchase	37,15,551.00	2,59,23,446.00	1,22,498.00	5,69,910.00	11,94,808.00	
Total Inward	37,99,586.00	2,65,83,446.00	1,26,549.00	5,81,935.00	13,73,739.00	
Issued To Production	35,64,864.00					
Transfer to Other Department	68,801.00					
Sales	5,507.00	2,58,74,971.00	1,14,037.00	5,73,410.00	13,43,628.00	9,854.00
Total Outward	36,39,172.00	2,58,74,971.00	1,14,037.00	5,73,410.00	13,53,482.00	20,257.00
Closing Stock	1,60,414.00	7,08,475.00	12,512.00	8,525.00		



2020-21	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in k.g)	1,91,441.00	7,08,475.00	12,512.00	8,525.00	20,257.00
Purchase					1,80,915.00
Receipt From Production/other Purchase	24,15,566.00	1,63,25,081.00	77,534.00	3,12,657.00	2,55,642.00
Total Inward	26,07,007.00	1,70,33,506.00	90,046.00	3,21,182.00	4,56,814.00
Issued To Production	23,53,487.00			3,04,022.00	
Transfer to Other Department	1,64,641.00				4,46,885.00
Sales	15,618.00	1,63,91,775.00	76,001.00		
Total Outward	25,33,746.00	1,63,91,775.00	76,001.00	3,04,022.00	4,46,885.00
Closing Stock	73,261.00	6,41,731.00	14,045.00	17,160.00	9,928.00

2021-22	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in k.g)	1,20,269.00	6,41,731.00	14,045.00	17,160.00	9,928.00
Purchase				6,76,411.00	8,768.00
Receipt From Production/other Purchase	35,92,963.00	2,47,33,166.00	1,33,032.00		6,66,357.00
Total Inward	37,13,232.00	2,53,74,897.00	1,47,072.00	6,93,571.00	6,85,053.00
Issued To Production	33,35,077.00				
Transfer to Other Department	1,06,978.00			6,69,005.00	6,80,947.00
Sales		2,46,62,109.00	1,17,212.00		
Total Outward	34,42,055.00	2,46,62,109.00	1,17,212.00	6,69,005.00	6,80,947.00
Closing Stock	2,71,177.00	7,12,788.00	29,865.00	29,565.00	4,106.00



2022-23	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.g)	2,71,177.00	7,13,788.00	29,865.00	24,565.00	4,106.00
Purchase					
Receipt From Production/other Purchase	29,87,155.00	2,07,62,181.00	90,504.00	5,25,201.00	6,50,778.00
Total Inward	32,58,332.00	2,14,74,969.00	1,20,369.00	5,49,766.00	6,54,894.00
Issued To Production	26,03,964.00			5,42,710.00	
Transfer to Other Department	5,66,213.00				
Sales	40,147.00	2,09,31,910.00	98,934.00		5,25,201.00
Total Outward	32,10,324.00	2,09,31,910.00	98,934.00	5,42,710.00	5,25,201.00
Closing Stock	48,008.00	5,43,059.00	21,435.00	7,056.00	1,29,683.00

2023-24	Cotton Yarn	Fabric Cloth	Waste	Dye Yarn	Dyeing Division
Opening Stock (in K.g)	48,008.00	5,43,059.00	21,435.00	7,059.00	1,29,683.00
Purchase		11,228.00			
Receipt From Production/other Purchase	36,27,318.00	2,30,35,030.00	1,10,600.00	6,29,835.00	6,16,020.00
Total Inward	36,75,326.00	2,35,89,317.00	1,32,035.00	6,36,894.00	7,45,703.00
Issued To Production	29,32,468.00			6,28,370.00	1,24,827.00
Transfer to Other Department	6,53,469.64	7,98,743.00	144.00		5,05,008.00
Sales	35,035.00	2,21,40,752.00	1,19,188.00		
Total Outward	36,20,972.64	2,29,39,495.00	1,19,332.00	6,28,370.00	6,29,835.00
Closing Stock	54,353.36	6,49,822.00	12,703.00	8,524.00	1,15,868.00



9. GST Return Summary

YEAR	AUDITED TURNOVER	REVENUE AS PER GST RETURN-1	REVENUE AS PER GST RETURN-3B	GST RETURN AS PER 9	GST RETURN AS PER 9C	AS PER TAX AUDIT REPORT
2017-18	3,13,77,50,000.00	2,35,63,68,784.28	2,39,22,60,359.00	2,35,83,36,185.49	2,35,85,31,949.57	3,12,64,26,542.00
2018-19	3,12,14,32,000.00	3,10,96,16,354.39	3,10,37,75,013.47	3,10,81,34,635.12	3,14,47,56,474.83	3,10,73,59,121.00
2019-20	2,93,33,48,000.00	2,87,31,19,859.76	2,87,33,67,470.00	2,92,01,37,991.96	2,92,01,37,991.96	2,91,61,07,399.00
2020-21	2,42,26,53,000.00	2,38,86,53,600.37	2,42,59,71,144.67	2,42,68,54,552.23	2,42,68,54,552.23	2,40,61,96,965.00
2021-22	4,51,83,95,000.00	4,48,56,88,772.28	4,41,56,92,531.30	4,51,83,94,590.40	4,51,83,94,590.40	4,50,89,81,501.00
2022-23	4,14,19,64,000.00	4,08,50,61,619.65	4,08,50,61,619.65	4,11,21,71,098.75	4,09,60,74,623.75	4,12,86,98,895.00
2023-24	3,67,38,19,000.00	3,66,08,98,109.74	3,66,08,98,109.74	-	-	-



10. Major Sales Transactions:

10.1 Spinning Division:

Sr. No.	Name	Annual Sales						
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	GUPTA TRADING CO.	19,73,78,264.00	26,85,74,973.00	28,61,38,916.00	32,87,69,107.08	33,29,72,894.00		57,94,26,029.00
3	UNIVERSAL SPINTEX XIAMEN PORT COMMERCE INFORMATION CO.,LTD				1,25,27,729.00	12,12,21,680.70	56,09,25,501.00	13,34,41,347.00
4	XIAMEN TTG GROUP CORP LTD	12,00,10,878.00	5,00,87,849.00	3,38,51,767.00	3,74,67,438.00	17,18,24,875.54	3,39,62,310.00	11,95,14,530.80
6	Arhui time technology co. ltd.	1,19,97,036.00	3,66,64,916.00	1,47,61,512.00	2,52,93,419.00	10,59,81,422.26		8,97,33,737.00
7	DILIP INDUSTRIES						2,24,05,572.00	5,75,80,223.00
8	M.S.TEXTILES							5,49,93,098.00
9	SCRABH TRADERS							5,47,04,644.00
10	ANHUI LIGHT INDUSTRIES INTERNATIONAL CO.,LTD.					1,78,57,610.64		4,39,18,460.47
11	TRIUMALA TEXTILES							3,66,90,961.00
12	SHRI MANGALAM YARNS							3,55,28,091.00
13	GEMINI TEXTILES					2,50,86,181.00		3,33,39,160.00
14	XIAMEN TTG TEXTILE MATERIAL CO.,LTD							2,93,84,049.00
15	LT SUPERCOM INDIA PRIVATE LTD.			1,79,82,620.00	1,82,82,429.00			2,52,14,742.00



16	SRI SENTHIL MURUGAN MILLS XIAMEN C AND D MERCHANDISE CO., LTD.								2,38,55,422.00
17									2,16,88,253.00
18	HUAFANG CO.,LTD								1,96,21,680.00
19	SAI YARNS								1,95,00,071.00
20	RAJ KUMAR AND COMPANY XIAMEN HAIXIA INVESTMENT CO.,LTD.	1,78,92,839.00	3,19,50,957.58				4,98,22,412.00		1,92,49,776.00
21									1,83,69,767.00
22	ROOPAM INDUSTRIES ANSAR TEXTILES AND SIZING WORKS							3,06,15,606.00	1,75,62,573.00
23									1,67,69,025.00
24	HINDUSTAN EXPORT FABRICS				1,33,46,989.00		1,75,81,276.00	2,72,07,654.00	1,65,25,215.00
25	EMKAY TEXTILE MILLS								1,60,42,227.00
26	GINATEX INDUSTRIES LTD SHEKHAWATI MARKETING PRIVATE LIMITED	7,96,65,995.00	4,63,27,200.00	4,09,67,757.00	6,59,04,092.47		25,57,90,832.19	2,08,84,500.00	1,59,96,496.00
27									1,52,90,101.00
28	RAJ COMMERCIAL							7,91,36,079.00	1,52,32,672.00
29	SHIV SHAKTI & CO SIVARAJ SPINNING MILLS PVT LTD - WEAVING UNIT							2,37,27,980.99	1,51,06,018.00
30									1,47,59,935.00
31	R.P. TRADING COMPANY (DR)								1,44,02,101.00
32	PATWARI TEXTILE CO.(P) LTD						1,40,46,480.00	10,18,37,555.00	1,36,50,476.00
33	ADARSH YARN AGENCY								1,33,21,526.00



34	SHER TAL HANI SATTI TEXTILES AND CO								1,17,87,272.00
35	CAULVERY TEXTILES				2,26,70,203.00				1,17,84,780.00
36	R.K TRADERS VINAYAK PRATISHTHAN PRIVATE LIMITED							1,17,49,313.00	1,17,58,602.00
37						1,83,10,320.00		2,07,50,100.00	1,11,90,816.00
38	SRI SRINIVASA DELENTERS								1,11,38,517.00
39	HOOPAM WEAVING MILL					2,20,15,307.00		9,01,42,002.00	1,09,18,436.00
40	PURNIMA HOSEERY HOUSE Kallam Agro Product & Oil (Related party )								1,07,64,936.00
41		10,37,56,114.50		8,76,89,957.62				6,33,98,986.02	
42	Swathi Cotton Pvt Ltd CHINA CO-OP GROUP NANTONG CO-OP		2,17,13,468.50		2,91,15,344.50				
43	HANGZHOU ZHONGSHI TEXTILE CO., LTD		1,04,32,224.00		1,34,17,488.00		8,72,06,262.00		
44		4,26,61,501.00							
45	JANGSUNG CORPORATION		2,66,10,400.00		2,16,39,223.00			1,15,06,799.00	
46	SHASHA DENIM LIMITED YUEYANG BAOLI TEXTILE CO., LTD		1,18,84,636.00		5,03,36,780.00				
47	ZHEJIANG TEXTILES IMPORT & EXPORT GROUP CO., LTD		3,02,19,288.00						
48	ZHEJIANG ZHONGDA GROUP INTERNATIONAL TRADING CO.,LT		1,27,26,981.00			3,48,63,353.49			
49		10,20,11,639.00		6,80,63,097.00				6,70,51,328.00	
50	BHAGAWATI VARUN AGENCIES		1,33,22,442.00		1,04,76,281.00				



51	Universal Cotton	19,43,16,449.00	28,25,73,456.00	27,38,60,895.00	38,59,32,166.00	22,82,29,506.00		
52	Universal Textile Corporation ANHUI GARMENTS IMP. AND EXP. CO., LTD	7,64,24,870.00						
54	C AND D LOGISTICS GROUP CO., LTD		2,14,15,949.00	1,37,31,598.00	11,01,73,619.90	16,31,24,137.00	1,62,61,062.00	
55	K.S PERFECTION INDUSTRIES CO.LTD,		1,18,44,035.00					
56	NINGBO J-PROSPER SUPPLY CHAIN MANAGEMENT CO., LTD		2,24,40,972.00	2,23,61,403.00				
57	SHANDONG SHENGRUN TEXTILE CO.LTD.		2,58,05,591.68	3,65,49,962.52	2,31,84,272.12	2,36,31,935.00		
58	XIAMEN XIANGYU LOGISTICS GROUP CORPORATION		1,99,99,823.00	1,22,07,897.00				
59	ZHUCHENG XINYUJA TEXTILE CO., LTD		1,17,56,496.13					
60	BEIJING JINGMIAN TEXTILE IMP AND EXP CO., LTD		1,13,18,546.00					
61	HONGKONG S.C.TONG LIMITED,			3,98,54,399.00	1,54,92,748.00	1,18,34,521.00		
62	JIANGSU WUZHONG IMPORT AND EXPORT CO.LTD.			1,26,15,864.00				
63	TENIN TRADING CO.LTD			1,29,10,330.00				
64	YIYANG LONGYUAN TEXTILE CO.LTD.			1,94,59,544.00	2,94,28,476.00	2,45,74,623.17		
65	DAMODAR INDUSTRIES LIMITED			2,10,23,056.00				
66	SILVER ANGEL IMPEX LIMITED WHITEFIELD CORPORATION (DR)			3,88,45,753.00				
67	MANTONG CO-OP TEXTILE EXCHANGE CO.,LTD			1,33,22,784.00	12,82,36,781.00	12,75,20,277.00	2,73,16,189.00	
68				3,80,75,905.00	6,86,07,930.00			
69					1,88,84,277.00	1,13,82,480.00		





70	NINGBO MU RESOURCES CO., LTD					1,11,88,332.00			
71	RIMAL MARKETING LLP					1,04,47,861.00			
72	CEEKAY MERCANTILE PVT LTD					1,07,15,254.00	4,59,22,925.00	3,86,68,336.00	
73	CEEKAY UDYOGS CREATIVE TEXTILES MILLS PVT LTD					3,48,56,895.01	1,92,32,213.00		
74	HINDUSTAN MILLS LIMITED (TEXTILE UNIT)					1,71,73,728.17			
75	INDO COUNT INDUSTRIES LTD.					1,16,39,152.99	1,99,22,003.01		
76	MAHIMA FIBERS PRIVATE LIMITED UNIT ASHOK					1,13,02,061.00			
77	SHAHI EXPORTS PVT LTD.					1,06,80,000.00			
78	SRI MAHALAKSHMI ENTERPRISES					1,91,54,545.00			
79	TRIDENT LIMITED (HOME TEXTILE)					1,58,75,072.00			
80	CHINA SDIC INTERNATIONAL TRADE SHANGHAI CO., LTD					2,10,76,000.00			
81	GLOBAL TEXTILE TRADING LIMITED						4,93,21,030.98		
82	HAIJIAN LIANFA COTTON SPINNING CO., LTD						1,41,83,326.00		
83	MODERN INTERNATIONAL (ASIA) LIMITED						1,86,73,716.70		
84	NANTONG CO OP INTERNATIONAL CO., LTD						3,13,98,275.09		
85	SHENZHEN QIANHAI SHENGHUA INVESTMENT CO LTD.						2,92,65,267.00		
86							4,11,78,343.00		



87	ALOK INDUSTRIES LIMITED							3,03,06,930.00	
88	B.G.SHAH AND CO							2,02,94,590.00	
89	COTTON WEAVERS OF INDIA							1,25,32,402.00	
90	FORTUNE WEAVING MILLS MAHALAKSHMI YARN SUPPLIERS							1,24,11,252.00	
91	SAKARIPAN SYNTHETICS (P) LTD							1,09,41,413.00	
92								2,86,01,249.00	2,80,51,125.00
93	SAHJ TIRUPATI COTTEX							1,36,79,320.00	
94	SITA SALES AGENCY							2,47,23,119.00	
95	SQUARE CORPORATION (DR) SRI SUBHA TEX PRIVATE LIMITED							1,83,98,318.00	
96	TECHNO TEXTILES PVT LTD (DR)							1,45,93,219.00	
97	VSKA WEAVESS INDIA PRIVATE LIMITED							4,09,95,923.00	2,01,33,225.00
98	RAJENDRA OIL PRODUCTS PVT LTD								1,20,12,818.00
100	SOUTHERN TEXTILE CO LTD.							1,26,08,912.08	
101	BRT SPINNERS PVT LTD							2,09,42,544.00	
102	DUBALA VIJAYA TEXTILES							1,03,91,338.00	
103	FABROTEX YARN TRADING LLP							4,41,43,375.00	
104	GOVIND VARNS							1,55,34,042.00	



105	GUPTA TRADING COMPANY							76,35,17,126.00	
106	J V ENTERPRISES							2,64,43,197.00	
107	ROOPAM EXIM							4,85,23,951.00	
108	ROOPAM IMPEX							4,88,73,551.00	
109	SRI SENTHIL MURGAN MILLS							1,91,67,323.00	
110	SUDHANSHU TEXTILE							2,43,74,127.00	
111	TECHNOLINKS TEXFAB PVT LTD							2,51,02,258.00	
112	VAP TEXTILES							1,58,80,144.00	
	Total	2,33,19,06,986.00	2,34,62,58,098.51	1,81,71,76,539.54	1,41,28,42,407.74	2,83,89,78,311.02	2,53,46,35,436.71	2,01,24,29,176.51	



10.2 Weaving Division

Sr. No.	Name	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	BANG OVERSEAS LTD		4,84,53,943.09	2,07,78,380.74			5,39,99,603.85	10,22,78,911.78
2	JATIN N DAN		1,19,14,294.05	1,58,33,425.73	1,12,35,875.55	3,38,07,011.28	3,76,20,111.16	6,41,49,920.34
3	M SUNDARAS AND SONS		1,32,30,936.83		2,77,42,577.29	1,66,61,327.56	2,11,47,758.97	6,15,57,586.32
4	ENCOT FABRICS PVT LTD						4,59,09,067.28	5,64,21,888.43
5	MI INDUSTRIES (INDIA) PRIVATE LIMITED (UP)					3,91,55,720.11	3,35,75,349.99	5,15,57,312.55
6	NSL TEXTILES LIMITED(CHANDOLE UNIT)							4,94,37,070.10
7	RICHACO EXPORTS PRIVATE LIMITED					4,11,96,866.98	7,44,96,446.81	4,69,33,660.93
8	M/S ORIENT FASHION EXPORTS(INDIA) PVT LTD(NOIDA)					3,11,00,410.72	1,57,12,140.85	4,65,86,204.56
9	M/S JAIN CORP INDUSTRIES PVT LTD (CHHATA)							4,64,63,064.28
10	CHDCE CLOTHING CO PVT LTD			1,93,55,875.62		1,83,96,155.04	5,19,47,816.81	4,00,76,402.68
11	AMERICA SYNFAAB PVT LTD		4,37,86,714.10	2,98,07,216.87		1,42,81,339.30	3,51,59,361.33	3,96,47,083.37
12	VEDANTA CREATIONS LTD	15,56,32,632.71	10,15,70,245.38	7,02,16,897.67	1,98,54,979.53	4,76,38,649.87	6,38,12,374.26	3,80,02,606.73
13	CREATIVE TEXTFAB					1,97,59,497.18	1,93,78,210.42	3,84,92,852.13
14	DIFFERENT COUNTS PVT LTD			3,26,81,326.54		4,72,36,420.70	3,52,80,672.76	3,24,56,832.19
15	KAMAL DESIGNS PVT LTD							2,82,13,871.86
16	VIKRAM TRADERS							2,76,36,831.83



17	MAHARASHMI TEXTILES					1,60,04,077.30			2,54,02,807.11
18	HANSRAJ CLOTHING								2,28,85,771.18
19	SHREEE LIFESTYLE PRIVATE LIMITED	13,03,25,766.50	11,09,25,312.84	6,39,41,019.06	4,79,37,678.04	5,33,61,853.92	3,41,96,919.65	1,81,44,165.31	1,78,96,968.25
20	SHAH EXPORTS PVT LTD-HEAD OFFICE				10,93,09,363.89	22,78,68,100.80	10,34,10,754.35		1,84,40,715.91
21	DINESHKUMAR AND CO								1,24,77,575.83
22	JINDAL WORLD WIDE LTD.	5,97,42,395.06	15,44,72,542.56	7,16,20,199.68		2,05,41,790.11			1,23,81,371.75
23	ANJALI TEXTILE MILLS								1,18,36,078.00
24	TWILLS CLOTHING PRIVATE LIMITED-AP								1,14,98,907.82
25	M.N. RAKESH TEXTILES	1,57,70,949.26							1,14,57,093.30
26	KANIKA EXPORTS (BANGALORE)					1,01,85,533.75	1,62,56,221.64		1,12,25,877.77
27	AURUM TEXTILE MILLS								1,07,58,333.75
28	MODELAMA EXPORTS PRIVATE LIMITED			2,26,26,039.60	1,31,41,131.50	7,38,36,841.28	5,78,16,981.97		1,06,80,695.11
29	WANTRY ENGINEERING AND CHEMICALS						2,90,53,277.16		1,04,36,633.67
30	ARTEX FRIENDS (INDIA) PVT LTD				5,24,21,521.15	6,72,64,158.84	10,01,85,646.95		1,04,08,172.06
31	ANITHAA WEAVING MILL PRIVATE LIMITED				1,89,19,328.00	2,28,07,970.80			1,01,07,191.94
32	SOUTHERN EXPORTS								1,01,06,987.93
33	GEETETEX SILK MILLS PVT LTD				1,92,36,879.88	7,89,94,300.44	6,66,67,145.05		
34	SUMUKHA TEXTILES								



### CONCLUSION

- On the basis of above-mentioned facts and observations viz-a-viz below cited synopsis of our analysis, we are in opinion that there is no fraudulent activity conducted by the borrower.
- As informed by the borrower, he is unable to provide the books of accounts for the period 01.04.2013 to 31.3.2017 due to the reason that the accounting software was corrupted for the above mentioned period. Although, he provide all the audit reports and tax audit report.
- The borrower withdrew huge amount of money in cash for the purchase of Kappas from farmers. All the records for the for the purchases are maintained by the borrower properly.
- On the basis of comparison of stock statement provided by the borrower and books of accounts, there are huge differences found during the audit in stock. The stock is consistently overvalued in the stock statement. Although, there is no overvaluation of stock in books of accounts. The stock mentioned in the books of accounts is certified by the Cost Auditor in his audit report, and the report is attached for reference.

For JN Gupta & Co LLP  
Chartered Accountants  
(FIRN: 006569C)

*Harsh*  
CA. Harsh Agrawal  
Partner  
M. No. 438677



UDIN: 24438677BKACWP7225

Date: 26.06.2024  
Place: Vijaywada