



**S K AGRAWAL AND CO**

*Chartered Accountants*

Firm Registration No. 306033E

SUITE NOS : 606-608

THE CHAMBERS, OPP. GITANJALI STADIUM

1865, RAJDANGA MAIN ROAD, KASBA

KOLKATA - 700 107

PHONE : 033-4008 9902/9903/9904

FAX : 033-40089905, Website : [www.skagrawal.co.in](http://www.skagrawal.co.in)

## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF J. M. HOSIERY & CO LIMITED**

### **Report on the audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **J. M. HOSIERY & CO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss and Cash Flow Statements 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 financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial Statements.

#### **Information Other than the financial statement and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### **Management's Responsibility 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standard 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 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.



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HIG-2/121, SATYASI ENCLAVE, KHANDAGIRI, BHUBANESWAR, ORISSA-751 030

488/2, ADARSH NAGAR, DURGA MANDIR ROAD, HIRAPUR, DHANBAD - 826 001, ☎ : 94301 36226

591, MITRA COMPOUND, BORING ROAD, PATNA-800 001, ☎ : 99035 90022



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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 Financial Statements**

Our objective is 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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.

#### **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 Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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2. 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 accounts 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
- g. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations having an impact on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There is no such sum which is required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata

Dated: 15 October 2020



For, S K AGRAWAL AND CO

Chartered Accountants

Firm Registration No. 306033E

*Hemant Kumar Lakhota*

Hemant Kumar Lakhota  
(Partner)

Membership No: 068851

UDIN-20068851AAAAIS7419





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**Annexure -A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditor's Report to the members of **J. M. HOSIERY & CO LIMITED** (the Company') on the financial statements for the year ended on 31st March 2020. We report that:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.
- (b) The Property Plant and Equipment have been physically verified by the management at reasonable intervals. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Unit and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) According to information and explanations given to us and on the basis of our examination of the records of company produced before us, the title deeds of immovable property are held in the name of the company.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has granted loans secured and unsecured to company covered in the register maintained under section 189 of the companies Act, 2013
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
  - (b) The Schedule of repayment of principal and payment of interest has been stipulated and the repayment are regular;
  - (c) In respect of aforesaid loans, there is no overdue amount for a period exceeding 90 days.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities made.
- v. The Company has not accepted any deposits from the public.
- vi. According to information and explanation given to us, the Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Goods & Services Tax, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no material dues of income tax, duty of customs and service tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution, banks, government and debenture holders.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company for the purposes for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.





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- 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 course of our audit.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, 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 given to us and based on our examination of the records, 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 non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Kolkata  
Dated: 15 October 2020



For, S K AGRAWAL AND CO

Chartered Accountants

Firm Registration No. 306033E

*Hemant Kumar Lakhotia*

Hemant Kumar Lakhotia  
(Partner)

Membership No: 068851

UDIN-20068851AAAAIS7419



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**Annexure -B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **J. M. HOSIERY & CO LIMITED** ("the Company") as of 31 March 2020 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 over Financial Reporting**

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.

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





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**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 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata  
Dated: 15 October 2020



For, **S K AGRAWAL AND CO**

Chartered Accountants

Firm Registration No - 306033E

*Hemant Kumar Lakhota*

Hemant Kumar Lakhota  
(Partner)

Membership No:068851

UDIN-20068851AAAAIS7419



**J.M.HOSIERY & CO LIMITED**  
**(FORMERLY KNOWN AS TODI HOSIERY LIMITED)**  
**Balance Sheet As At 31st March, 2020**

Particulars	Note	As at March 31, 2020 (Rs. In Lacs)	As at March 31, 2019 (Rs. In Lacs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	744.60	744.60
Reserves and Surplus	3	11,387.92	10,255.59
		<u>12,132.52</u>	<u>11,000.19</u>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	1,394.19	127.65
Deferred Tax Liabilities (Net)	11		
Long-Term Provisions	5	84.72	62.90
		<u>1,478.91</u>	<u>190.55</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	7,519.90	9,823.67
Trade Payables			
A) total outstanding dues of micro enterprises and small enterprises; and	7	109.35	180.28
B) total outstanding dues of creditors other than micro enterprises and small enterprises	7	4,015.23	6,783.41
Other Current Liabilities	8	449.88	397.18
Short-Term Provisions	9	8.65	10.24
		<u>12,103.01</u>	<u>17,194.78</u>
<b>TOTAL</b>		<u><b>25,714.45</b></u>	<u><b>28,385.51</b></u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant and Equipment			
Tangible Assets	10	1,365.44	1,023.46
Deferred Tax Assets (Net)	11	0.09	0.05
Long-Term Loans and Advances	12	95.24	76.64
Other Non-Current Assets	13	571.37	541.50
		<u>2,032.14</u>	<u>1,641.65</u>
<b>Current Assets</b>			
Inventories	14	12,392.24	10,968.97
Trade Receivables	15	9,486.81	12,463.53
Cash and Cash equivalents	16	100.46	220.82
Short-Term Loans and Advances	17	1,702.80	3,090.55
		<u>23,682.31</u>	<u>26,743.87</u>
<b>TOTAL</b>		<u><b>25,714.45</b></u>	<u><b>28,385.51</b></u>

**Significant Accounting Policies**

1

The accompanying notes are an integral part of the Financial Statements

In terms of our report of even date

**For S K AGRAWAL AND CO.**  
Chartered Accountants

*Hemant Kumar Lakhotia*

**Hemant Kumar Lakhotia**  
Partner  
Membership no. - 068851

Place : Kolkata

Date: 15 OCT 2020



**For and on behalf of the Board**

**Ashok Kumar Todi**  
Director

DIN-00053599

*Shruty Verma*  
Shruty Verma

Company Secretary

Membership No.-A48877

*Pradip Kumar Todi*

**Pradip Kumar Todi**  
Director

DIN-00246268



**J.M.HOSIERY & CO LIMITED**  
**(FORMERLY KNOWN AS TODI HOSIERY LIMITED)**  
**Statement of Profit and Loss for the year ended March 31, 2020**

Particulars	Note	For the year ended March 31, 2020 (Rs. In Lacs)	For the year ended March 31, 2019 (Rs. In Lacs)
<b>INCOME</b>			
Revenue from Operations (Gross)	18	30,935.46	32,819.30
Other Income	19	51.98	60.37
<b>TOTAL</b>		<b>30,987.45</b>	<b>32,879.67</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	14,028.19	14,324.09
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	21	(1,694.75)	(574.45)
Employee Benefits Expense	22	1,160.52	918.90
Finance Cost	23	666.47	878.73
Depreciation and amortisation expense	24	126.91	104.31
Other Expenses	25	15,001.15	14,587.26
<b>TOTAL</b>		<b>29,288.49</b>	<b>30,238.85</b>
<b>PROFIT BEFORE TAX</b>		<b>1,698.95</b>	<b>2,640.81</b>
Tax Expense:			
Less : Current Tax		431.34	765.58
Less : Deferred Tax		(0.04)	23.77
Add : Income Tax For the Earlier Year		135.31	-
<b>PROFIT FOR THE YEAR</b>		<b>1,132.33</b>	<b>1,851.47</b>
Earnings per share (Nominal value Rs.10/- each (P.Y. Rs.10/-):	26	15.21	23.38

**Significant Accounting Policies**

1

The accompanying notes are an integral part of the Financial Statements

In terms of our report of even date

**For S K AGRAWAL AND CO.**

Chartered Accountants

*Hemant Kumar Lakhota*

**Hemant Kumar Lakhota**

Partner

Membership no. - 068851



*Ashok Kumar Todi* *Pradip Kumar Todi*

**Ashok Kumar Todi**

Director

DIN-00053599

**Pradip Kumar Todi**

Director

DIN-00246268

*Shruty Verma*

**Shruty Verma**

Company Secretary

Membership No.-A48877

Place : Kolkata

Date: 15 OCT 2020

**J.M.HOSIERY & CO LIMITED**  
**(FORMERLY KNOWN AS TODI HOSIERY LIMITED)**  
**Cash Flow Statement for the year ended March 31, 2020**

Particulars	For the year ended March 31, 2020 (Rs. In Lacs)	For the year ended March 31, 2019 (Rs. In Lacs)
<b>A. Cash Flow from Operating Activities</b>		
a) Profit before Tax	1,698.95	2,640.81
Adjustment for :		
Depreciation	126.91	104.31
Interest income	(48.73)	(46.59)
(Profit) / Loss on sale of Property Plant and Equipment	(0.14)	(13.78)
Interest Payment	643.47	851.50
Provision for doubtful debts	-	(15.12)
b) Operating profit before working capital changes	2,420.47	3,521.14
Adjustment for :		
Trade and other receivables (Increase)/Decrease	2,976.72	(596.89)
Inventories (Increase)/Decrease	(1,423.27)	(631.20)
Loan Advances & Other Current Assets (Increase)/Decrease	1,317.49	(117.83)
Current Liabilities Increase/(Decrease)	(2,786.41)	1,485.82
Increase/(Decrease) in Provision for Employment Benefits	20.23	14.33
c) Cash generated from Operations	2,525.22	3,675.38
Tax Paid ( Net )	(515.00)	(900.00)
<b>Net Cash from Operating Activities</b>	<b>2,010.22</b>	<b>2,775.38</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets (Including Capital Work in Process)	(469.21)	(337.88)
Sale of fixed assets	0.47	98.00
(Increase)/decrease in Term Deposit	(29.87)	(536.14)
Interest Income	48.73	46.59
<b>Net Cash from / ( used in ) Investing activities</b>	<b>(449.89)</b>	<b>(729.43)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/Repayment of Borrowings a) Long	1,266.54	(829.35)
b) Short	(2,303.76)	(432.98)
Interest paid	(643.47)	(851.50)
<b>Net Cash from / ( used in ) financing activities</b>	<b>(1,680.69)</b>	<b>(2,113.83)</b>
<b>D. Net Increase/( Decrease ) In Cash and Cash equivalent</b>	<b>(120.36)</b>	<b>(67.89)</b>
Cash and Cash equivalent at beginning of the year	<b>220.82</b>	<b>288.71</b>
<b>Cash and Cash equivalent at end of the year</b>	<b>100.46</b>	<b>220.82</b>

**Notes to Cash Flow Statement :**

- This Statement is prepared under indirect method as prescribed by AS-3.
- Cash and cash equivalents comprise of  
Cash -in- Hand  
Balance with bank on current account

	March 31,2020	March 31,2019
Cash -in- Hand	32.19	65.63
Balance with bank on current account	68.27	155.18
	<b>100.46</b>	<b>220.82</b>

- Previous periods' figures have been regrouped/rearranged wherever necessary to confirm with current years presentation.

As per our report of even date attached  
**For S K AGRAWAL AND CO.**  
Chartered Accountants  
Firm Reg no.306033E



**Hemant Kumar Lakhota**  
Partner  
Membership no. - 068851

Place : Kolkata  
Date: 15 OCT 2020

**For and on behalf of the Board**

*(Signature of Ashok Kumar Todi)*  
**Ashok Kumar Todi**  
Director  
DIN-00053599

*(Signature of Pradip Kumar Todi)*  
**Pradip Kumar Todi**  
Director  
DIN-00246268

*(Signature of Shrutya Verma)*  
**Shrutya Verma**  
Company Secretary  
Membership No.-A48877

## **1. SIGNIFICANT ACCOUNTING POLICIES:**

### **a) Nature of Operation**

J.M. Hosiery & Co Limited (Formerly known as Todi Hosiery Limited) ('The Company') was incorporated in 2004. The Company is a public limited company, having its registered office situated at 39, Kali Krishna Tagore Street, Kolkata. The Company is engaged in the business of manufacturing & sale of knitwear's. The Manufacturing unit of the company is located in Tiruppur in the state of Tamil Nadu. The name of the company has been changed from Todi Hosiery Limited to J.M.Hosiery & Co Limited pursuant to rule 29 of the Companies (Incorporation) Rules, 2014 w.e.f 29th day of July, 2015.

### **b) Basis of Preparation of Accounts**

The financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), under the historical cost convention on an accrual basis. GAAP Comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014. The accountings policies have been consistently applied by the company with those used in the previous year except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard /Law requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lakhs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / noncurrent classification of assets and liabilities.

### **c) Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgments, estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Liabilities on the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting year. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and useful life of intangible assets. Although these estimates are based on the management's best knowledge, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **d) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.



a) **Sale of Goods:** Sales are recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of GST, trade discounts and returns as applicable.

b) **Interest:** Interests on Investments are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**e) Accounting of Claims**

(a) Claims receivable are accounted for at the time when reasonable certainty of receipt is established. Claims payable are accounted for at the time of acceptance.

(b) Claim raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on merits of each claim.

**f) Expenditure**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

**g) Property Plant and Equipment**

(a) **Tangible Assets:** Tangible Assets are stated at their original cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of modvat) and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to the acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Subsequent expenditure related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(b) **Capital Work-in-progress:** Capital work-in –progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

(c) **Depreciation:** Depreciation on tangible assets is provided on Straight Line Method (SLM). Depreciation is provided based on estimated useful life of the assets and are in line with the requirements of Part C of Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged.

**h) Valuation of Inventories**

Raw materials including packing materials are carried at the lower of cost and net realizable value. Cost is determined on Weighted Average Cost Method. Work in progress is carried at the lower of cost and net realizable value. Finished goods produced or purchased by the company are carried at lower of cost and net realizable value. Cost of finished goods and process stock includes cost of conversion and other cost incurred in bringing the inventories to their present locations and conditions. The company has valued inventory net of modvat benefits. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.





**i) Retirement benefits to employees**

**Gratuity:**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company. Liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The company recognizes the net obligation of the gratuity as per actuarial valuation report in the Balance Sheet in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the statement of Profit and Loss in the period in which they arise.

**Provident Fund:**

Eligible employees receive benefits from a provident fund, which is a defined plan. Both the eligible employee and the company make monthly contribution to the provident fund plan equal to a specified percentage of the covered employee's salary. The company also contributes a specific amount out of total contribution payable to the government administered pension fund.

**j) Taxes on Income**

Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably.

Deferred taxes are recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

Deferred tax Assets & Liabilities are measured using the Tax Rates & Tax Laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

Advance Taxes and Provisions for current taxes are presented in the Balance Sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the company is able to and intends to settle the assets and liability on a net basis.



**k) Provision, Contingent Liabilities And Contingent Assets**

A provision is recognized if, as a result of past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

During the financial year the company has made provision for doubtful debts to the extent of 100% of the total amount identified as doubtful debts and advances.

A Contingent Liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent Liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**l) Borrowing Cost**

Borrowing Cost relating to acquisition or construction of fixed assets which take substantial period of time to get ready for its intended use are capitalized as part of the cost of a qualifying asset to the extent they relate to the period till such assets are ready to be put to use. Other Borrowing Costs are recognized as an expense in the year in which they are incurred.

**m) Segment Reporting Policies:**

The Company has identified manufacturing and sale of knitwear's as its sole operating segment and the same is treated as primary segment. Since all sales are affected in the domestic market, there is only one geographical segment.

**n) Earnings per Share (Basic & Diluted)**

Basic earnings (loss) per share are calculated by dividing the Net Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the Net Profit or Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**o) Impairment of assets:**

Impairment loss is recognized wherever the carrying amount of an assets is in excess of its recoverable amount and the same is recognized as an expenses in the statement of Profit & Loss and carrying amount of the assets is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior year is recovered when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

**p) Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating. Financing and investing activities of the Company are segregated. Cash and cash equivalents in the Balance Sheet comprise cash at bank, cash/cheques in hand.



**2 SHARE CAPITAL**

**a) Authorised, Issued, Subscribed and Paid up Share Capital**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Numbers	Amt Rs ( In Lacs)	Numbers	Amt Rs ( In Lacs)
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	7,500,000.00	750.00	7,500,000.00	750.00
<b>Issued and Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10/- each	7,446,006.00	744.60	7,446,006.00	744.60
<b>TOTAL</b>		<b>744.60</b>		<b>744.60</b>

**b) Reconciliation of number of shares outstanding**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Numbers	Amt Rs ( In Lacs)	Numbers	Amt Rs ( In Lacs)
Equity Shares at the beginning of the year	7,446,006.00	744.60	7,446,006.00	744.60
Issued during the year	-	-	-	-
Equity Shares at the closing of the year	7,446,006.00	744.60	7,446,006.00	744.60

The Company has only one class of equity shares with a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share held. The Company has not declared any dividends for the year. In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company after meeting all liabilities and distribution of all preferential amounts in proportion of their shareholding

**c) Shareholders holding more than 5% shares of the company**

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	Numbers	%age	Numbers	%age
Ashok Kumar Todi	658,000	8.84	658,000	8.84
Pradip Kumar Todi	651,000	8.74	651,000	8.74
Navin Kumar Todi	661,701	8.90	661,701	8.90
Rahul Kumar Todi	662,701	8.90	662,701	8.90
Udit Todi	1,207,745	16.22	1,207,745	16.22
Saket Todi	1,207,746	16.22	1,207,746	16.22
Hollyfield Traders Pvt Ltd	2,044,113	27.45	2,044,113	27.45

	As at March 31, 2020	As at March 31, 2019
<b>3 RESERVES AND SURPLUS</b>		
<b>i) Securities Premium Account</b>		
Balance at the beginning of the year	3,085.54	3,085.54
Add: During the year	-	-
Balance at the end of the year	3,085.54	3,085.54
<b>ii) Surplus In Statement of Profit and Loss</b>		
Balance at the beginning of the year	7,170.05	5,318.58
Add: Profit for the year	1,132.33	1,851.47
Surplus carried to Balance Sheet	8,302.38	7,170.05
<b>Total</b>	<b>11,387.92</b>	<b>10,255.59</b>

	As at March 31, 2020	As at March 31, 2019
<b>4 LONG TERM BORROWINGS</b>		
<b>i) SECURED LOANS</b>		
<b>From Banks</b>		
Vehicle Loans	26.19	71.65
	26.19	71.65
<b>ii) UNSECURED LOANS</b>		
a) From Related Parties (Refer Note No 28)	168.00	56.00
b) From Other Parties	1,200.00	-
	1,368.00	56.00
<b>Total</b>	<b>1,394.19</b>	<b>127.65</b>





Repayment terms and nature of securities given for term loan as follows :

Bank	31-Mar-20	31-Mar-19	Nature of Security	Repayment Terms
Kotak Mahindra Prime Ltd			Car Loan is secured by against hypothecation of motor car.	Repayable in thirty six instalment commencing from July 2014
Kotak Mahindra Prime Ltd			Car Loan is secured by against hypothecation of motor car.	Repayable in thirty six instalment commencing from Sept 2014
Volkswagen Auto Fin Ltd	Nil	7.40	Car Loan is secured by against hypothecation of motor car.	Repayable in thirty six instalment commencing from Oct 2016
HDFC Bank Ltd	71.74	114.37	Car Loan is secured by against hypothecation of motor car.	Repayable in thirty six instalment commencing from July 2016

	As at March 31,2020	As at March 31,2019
<b>5 LONG TERM PROVISIONS</b>		
i) Provision for Employee Benefits (Refer note 31)	84.72	62.90
<b>Total</b>	<b>84.72</b>	<b>62.90</b>

	As at March 31,2020	As at March 31,2019
<b>6 SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
Loan from Banks		
i) Cash Credit facilities	2,019.82	2,293.76
ii) WCDL	5,500.08	7,529.90
<b>Total</b>	<b>7,519.90</b>	<b>9,823.67</b>

a) Cash Credit loan (including WCDL) is secured against hypothecation of entire stocks, book debts and other current assets of the company, by way of collateral security over the entire movable and immovable properties of the company both present and future. The Cash Credit loan are repayable on demand. It is additionally secured by personal guarantee of the directors and their relatives.

	As at March 31,2020	As at March 31,2019
<b>7 TRADE PAYABLES</b>		
i) Due to Micro & Small & Medium Enterprises	109.35	180.28
ii) Others	4,015.23	6,783.41
<b>Total</b>	<b>4,124.58</b>	<b>6,963.69</b>

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006

(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year

Principal amount due to micro and small enterprise	109.35	180.28
Interest due on above	-	-

(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and

(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

The above disclosures are provided by the Company based on the Information available with the Company in respect of the registration status of its vendors/suppliers.

	As at March 31,2020	As at March 31,2019
<b>8 OTHER CURRENT LIABILITIES</b>		
i) Current maturity of long term debt	45.55	50.00
ii) Statutory Dues	76.19	79.11
iii) Advance from Customers	-	55.66
iv) Deposits from Dealers, Agents etc.	154.05	111.55
v) Employee Cost Payable	115.54	35.77
vi) Interest accrued but not due on borrowings	26.45	30.90
vii) Other	32.10	34.19
<b>Total</b>	<b>449.88</b>	<b>397.18</b>
	<b>As at March 31,2020</b>	<b>As at March 31,2019</b>
<b>9 SHORT TERM PROVISIONS</b>		
i) Provision for employee benefit (Refer note 31)	8.65	10.24
<b>Total</b>	<b>8.65</b>	<b>10.24</b>



**J.M.HOSIERY & CO LIMITED**  
(FORMERLY KNOWN AS TODI HOSIERY LIMITED)

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

**10. PROPERTY PLANT & EQUIPMENT**

PARTICULARS	GROSS BLOCK			DEPRECIATION & AMORTISATION			NET BLOCK	
	As at 01/04/2019	Additions for the year	Deduction / Adjustment for the year	As at 31/03/2020	As at 01/04/2019	Charge for the year	As at 31/03/2020	As at 31/03/2019
<b>TANGIBLE ASSETS</b>								
LAND & BUILDING	352.97	-	-	352.97	46.10	10.76	56.87	306.87
PLANT & EQUIPMENTS	545.65	461.15	-	1,006.79	212.33	57.50	269.83	333.31
FURNITURE & FIXTURES	110.54	7.00	-	117.54	44.38	9.94	54.33	63.21
VEHICLES	439.35	1.07	1.16	439.26	122.23	48.70	170.09	317.13
<b>SUB TOTAL</b>	<b>1,448.51</b>	<b>469.21</b>	<b>1.16</b>	<b>1,916.56</b>	<b>425.04</b>	<b>126.91</b>	<b>551.12</b>	<b>1,023.46</b>
CAPITAL WORK IN PROGRESS	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,448.51</b>	<b>469.21</b>	<b>1.16</b>	<b>1,916.56</b>	<b>425.04</b>	<b>126.91</b>	<b>551.12</b>	<b>1,023.46</b>

Previous Year

PARTICULARS	GROSS BLOCK			DEPRECIATION & AMORTISATION			NET BLOCK	
	As at 01/04/2018	Additions for the year	Deduction / Adjustment for the year	As at 31/03/2019	As at 01/04/2018	Addition for the year	As at 31/03/2019	As at 31/03/2018
<b>TANGIBLE ASSETS</b>								
LAND & BUILDING	451.47	-	98.49	352.97	60.71	11.19	46.10	390.75
PLANT & EQUIPMENTS	341.25	204.40	-	545.65	171.45	40.89	212.33	169.80
FURNITURE & FIXTURES	109.23	1.31	-	110.54	34.11	10.27	44.38	75.12
VEHICLES	342.70	132.18	35.52	439.35	104.25	41.97	122.23	238.44
<b>TOTAL</b>	<b>1,244.64</b>	<b>337.88</b>	<b>134.01</b>	<b>1,448.51</b>	<b>370.52</b>	<b>104.31</b>	<b>425.04</b>	<b>874.12</b>



	As at March 31, 2020	As at March 31, 2019
<b>11 DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Tax Impact of timing differences leading to deferred tax assets		
Provision for doubtful debts/advances	11.97	13.85
Provision for Employee benefits	23.50	21.30
<b>Total deferred tax assets</b>	<b>35.47</b>	<b>35.15</b>
<b>Deferred Tax Liabilities</b>		
Difference between book value of depreciable assets as per Books of accounts and written down value for tax purposes	35.39	35.11
<b>Net Deferred Tax Assets/ (Liabilities)</b>	<b>0.09</b>	<b>0.05</b>
	As at March 31, 2020	As at March 31, 2019
<b>12 LONG TERM LOANS &amp; ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
i) Security Deposits	95.24	76.64
<b>Total</b>	<b>95.24</b>	<b>76.64</b>
	As at March 31, 2020	As at March 31, 2019
<b>13 OTHER NON - CURRENT ASSETS</b>		
i) Bank deposit with more than 12 months maturity (Pledged)	565.09	513.80
ii) Interest accrued on deposits.	6.28	27.70
<b>Total</b>	<b>571.37</b>	<b>541.50</b>
	As at March 31, 2020	As at March 31, 2019
<b>14 INVENTORIES</b>		
(Valued at lower of Cost and Net Realisable Value)		
Raw Materials	298.22	368.27
Work-in-progress	4,914.61	5,124.77
Finished goods (Manufactured)	6,140.72	4,235.80
Packing materials	1,038.69	1,240.12
Stock of Scheme Items	-	-
<b>Total</b>	<b>12,392.24</b>	<b>10,968.97</b>
	As at March 31, 2020	As at March 31, 2019
<b>15 TRADE RECEIVABLES</b>		
i) Outstanding for a period exceeding six months from the date they are due for payment :		
- Unsecured, considered good	831.35	3,298.19
- Unsecured, considered doubtful	47.58	47.58
Less: Provision for doubtful debts	(47.58)	(47.58)
	831.35	3,298.19
ii) Outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered good	8,655.46	9,165.35
<b>Total</b>	<b>9,486.81</b>	<b>12,463.53</b>
	As at March 31, 2020	As at March 31, 2019
<b>16 CASH AND CASH EQUIVALENTS</b>		
<b>i) Cash And Cash Equivalents</b>		
Cash on hand	32.19	65.63
<b>ii) Balances with bank</b>		
In current account	68.27	155.18
<b>Total</b>	<b>100.46</b>	<b>220.82</b>
	As at March 31, 2020	As at March 31, 2019
<b>17 SHORT TERM LOANS AND ADVANCES</b>		
<b>Other Loan &amp; Advances:</b>		
(Unsecured considered good unless otherwise stated)		
i) Loans and Advances to employees	23.58	11.96
ii) Prepaid Expenses	5.17	6.34
iii) Advance Income Tax (Net of Provision)	168.96	220.62
iv) Balance with Government Authorities	1,189.46	840.80
v) Advances to Suppliers	29.85	1,272.42
vi) Advances to Related Party	13.23	212.96
vii) Other Loans and Advances	272.54	525.45
<b>Total</b>	<b>1,702.80</b>	<b>3,090.55</b>



**J.M.HOSIERY & CO LIMITED**  
**(FORMERLY KNOWN AS TODI HOSIERY LIMITED)**  
**Notes to the Financial Statements for the year ended March 31st 2020**

	Year Ended March 31,2020		Year Ended March 31,2019	
	Amount	Amount	Amount	Amount
<b>18 REVENUE FROM OPERATION</b>				
a) Sale of Products		30,927.92		32,819.30
b) Other Operating revenues		7.55		-
<b>Total</b>		<b>30,935.46</b>		<b>32,819.30</b>

	Year Ended March 31,2020		Year Ended March 31,2019	
	Amount	Amount	Amount	Amount
<b>19 OTHER INCOME</b>				
<b>Interest Income</b>				
i) From Fixed Deposit	33.20		28.23	
ii) Int on Loans and Advance	15.53	48.73	18.36	46.59
<b>Other Non Operating Income</b>				
i) Profit on Sale of Property Plant and Equipment (Net)		0.14		13.78
ii) Insurance Claim Received		3.11		-
<b>Total</b>		<b>51.98</b>		<b>60.37</b>

	Year Ended March 31,2020		Year Ended March 31,2019	
	Amount	Amount	Amount	Amount
<b>20 COST OF MATERIAL CONSUMED</b>				
<b>i) Yarn Consumed</b>				
Opening Stock	368.27		358.22	
Add : Purchases during the year	8,448.85		9,765.95	
Less: Discount Received	0.08		12.33	
Less: Incentive received on Yarn Purchase	3.44		0.37	
	<u>8,813.59</u>		<u>10,111.47</u>	
Less : Yarn Sale	59.77		230.63	
Less : Closing Stock	<u>298.22</u>	<u>8,455.61</u>	<u>368.27</u>	<u>9,512.57</u>
<b>ii) Packing Materials Consumed</b>				
Opening Stock	1,240.12		1,019.34	
Add: Purchases during the year	<u>4,439.16</u>		<u>3,954.21</u>	
	5,679.29		4,973.55	
Less: Closing Stock	<u>1,038.69</u>	<u>4,640.60</u>	<u>1,240.12</u>	<u>3,733.43</u>
<b>iii) Consumption of Fabrics</b>		931.98		1,078.09
<b>Total</b>		<b>14,028.19</b>		<b>14,324.08</b>

	Year Ended March 31,2020		Year Ended March 31,2019	
	Amount	Amount	Amount	Amount
<b>21 CHANGES IN FINISHED GOODS , WORK-IN-PROGRESS AND STOCK - IN - TRADE</b>				
<b>i) Finished Goods</b>				
Opening Stock	4,235.80		4,353.44	
Closing Stock	<u>6,140.72</u>	<u>(1,904.92)</u>	<u>4,235.80</u>	<u>117.64</u>
<b>ii) Work-in-progress</b>				
Opening Stock	5,124.77		4,432.68	
Closing Stock	<u>4,914.61</u>	<u>210.17</u>	<u>5,124.77</u>	<u>(692.09)</u>
<b>Total</b>		<b>(1,694.75)</b>		<b>(574.45)</b>

	Year Ended March 31,2020		Year Ended March 31,2019	
	Amount	Amount	Amount	Amount
<b>22 EMPLOYEE BENEFIT EXPENSE</b>				
i) Salaries , Wages & Bonus	1,090.25		865.81	
ii) Provision for Employment benefit	<u>20.23</u>	<u>1,110.48</u>	<u>14.33</u>	<u>880.14</u>
iii) Contribution to Provident & Other Funds		21.54		16.68
iv) Staff Welfare Expenses		28.51		22.08
<b>Total</b>		<b>1,160.52</b>		<b>918.90</b>





**J.M.HOSIERY & CO LIMITED**  
**(FORMERLY KNOWN AS TODI HOSIERY LIMITED)**  
**Notes to the Financial Statements for the year ended March 31st 2020**

	Year Ended March 31,2020	Year Ended March 31,2019
<b>23 FINANCE COST</b>		
i) Interest Expense	643.47	851.50
ii) Bank Charges	3.42	4.02
iii) Loan Processing charges	19.58	23.21
<b>Total</b>	<b>666.47</b>	<b>878.73</b>

	Year Ended March 31,2020	Year Ended March 31,2019
<b>24 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Tangible Assets	126.91	104.31
<b>Total</b>	<b>126.91</b>	<b>104.31</b>

	Year Ended March 31,2020	Year Ended March 31,2019
<b>25 OTHER EXPENSES</b>		
i) Power & Fuel	70.15	20.73
ii) Rent	138.40	110.33
iii) Repairs to buildings	26.05	26.47
iv) Repairs to others	10.90	19.57
v) Insurance Charges	20.27	10.40
vi) Rates & Taxes	28.18	41.68
vii) Selling Expenses	2,515.46	2,654.44
viii) Royalty	2.00	2.00
ix) Advertisement & Publicity	2,805.81	2,107.90
x) Commission	233.36	231.66
xi) Freight & Other Handling Charges	615.55	623.70
xii) Processing expense	8,175.86	8,340.12
xiii) Miscellaneous Expenses	281.14	334.30
xiv) Penalty	0.73	1.16
xv) Payment to Auditors (Refer Note No. 29)	10.08	7.75
xvi) Bad Debt	67.20	70.16
xvii) Provision for Doubtful Debts/Advance	-	(15.12)
<b>Total</b>	<b>15,001.15</b>	<b>14,587.26</b>

**26 Earning per share Computed In accordance with AS 20: "Earning Per Share"**

Sl. No	Particulars	As At 31.03.2020	As At 31.03.2019
1	Profit for the year	1,132.33	1,851.47
2	Weighted Average Number of Equity Shares Outstanding at the end of the year for Basic EPS.	74.46	74.46
3	Weighted Average Number of Equity Shares Outstanding at the end of the year for Diluted EPS	74.46	74.46
4	Nominal Value per share (Rs.)	10/-	10/-
5	Earning per share		
	Basic	15.21	24.87
	Diluted	15.21	24.87



27. (a) Capital and Other Commitments Nil (P.Y Nil)  
 (b) Contingent Liabilities Nil (P.Y Nil)

28. Related Party Disclosures as required by Accounting Standard (AS-18) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, are as below:-

**a) Key Managerial Personnel:**

1. Mr. Ashok Kumar Todi,
2. Mr. Pradip Kumar Todi, Managing Director
3. Mr. Navin Kumar Todi, Whole Time Director
4. Mr. Rahul Kumar Todi, Whole Time Director
5. Ms. Shruty Verma, Company Secretary

**b) Relatives of Key Managerial Personnel**

1. Smt. Prabha Devi Todi (Mother of Navin Kumar Todi)
2. Smt. Meenakshi Todi (Wife of Navin Kumar Todi)

**c) Entities where Key managerial personnel and their relative have significant influence with whom transaction has taken place during the year**

1. Biswanath Hosiery Mills Ltd.
2. Lux Industries Ltd.
3. Ebell Fashions Pvt. Ltd.
4. Todi Exports (India)
5. Todi Industries
6. Hollyfield Traders Private Limited

Related party relationships are as identified by the company on the basis of available information. The company's related party transactions during the year and outstanding balances are as below:

(Rs. in Lacs)

Sl. No.	Nature of Transactions	Year ended March 31,2020	Year ended March 31,2019
1	<b>Sale of goods</b>		
	Todi Industries	748.48	308.52
	Lux Industries Ltd.	5,558.75	5,993.73
	Ebell Fashions Private Ltd.	19.94	8.72
	<b>Total</b>	<b>6,327.17</b>	<b>6,310.97</b>
2	<b>Knitting Income</b>		
	Todi Industries	6.26	-
	<b>Total</b>	<b>6.26</b>	<b>-</b>
3	<b>Interest received</b>		
	Hollyfield Traders Private limited	13.23	12.96
	<b>Total</b>	<b>13.23</b>	<b>12.96</b>

**J.M. Hosiery & Co. Limited**
**Notes to the Financial Statements for the year ended March 31, 2020**

Sl. No.	Nature of Transactions	Year ended March 31,2020	Year ended March 31,2019
4	<b>Purchase of goods and Property Plant &amp; equipment</b> Lux Industries Ltd. Todi Industries Todi Industries-Asset	1421.43 434.91 521.73	1,189.02 804 -
	<b>Total</b>	<b>2,378.07</b>	<b>1,993.02</b>
5	<b>Payment for services</b> Todi Industries – Knitting Charges Todi Industries – Cutting Charges Todi Industries – Stitching Charges Lux Industries– Knitting Charges	245.02 163.3 216.88 6.1	299.67 229.97 193.49 -
	<b>Total</b>	<b>631.3</b>	<b>723.13</b>
6	<b>Director Remuneration Paid</b> Mr. Navin Kumar Todi Mr. Rahul Kumar Todi	129 129	90 90
	<b>Total</b>	<b>258</b>	<b>180</b>
7	<b>Salary Paid</b> Ms. Shruty Verma	3.66	3.11
	<b>Total</b>	<b>3.66</b>	<b>3.11</b>
8	<b>Royalty paid</b> Biswanath Hosiery Mills Ltd.	2	2
	<b>Total</b>	<b>2</b>	<b>2</b>
9	<b>Rent paid</b> Smt. Meenakshi Todi Smt. Prabha Devi Todi Mr. Navin Kumar Todi Mr. Rahul Kumar Todi	4 21.2 4 11.85	9.28 18.36 - -
	<b>Total</b>	<b>41.05</b>	<b>27.64</b>
10	<b>Loan given</b> Holly Field Traders Pvt Ltd	-	200
	<b>Total</b>	<b>-</b>	<b>200</b>
11	<b>Loan Received</b> Smt. Prabha Devi Todi Mr. Navin Kumar Todi Mr. Rahul Kumar Todi	362 - -	- 40 1.77
	<b>Total</b>	<b>362</b>	<b>41.77</b>

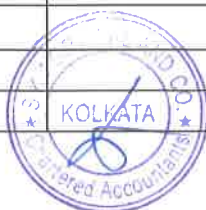


Sl. No.	Nature of Transactions	Year ended March 31,2020	Year ended March 31,2019
12	<b>Loan Repayment</b>		
	Smt. Prabha Devi Todi	250	
	Mr. Navin Kumar Todi	-	927.76
	Mr. Rahul Kumar Todi	-	5.2
	<b>Total</b>	<b>250</b>	<b>932.96</b>
13	<b>Refund of Loan Given</b>		
	Holly Field Traders Pvt Ltd	212.96	-
	<b>Total</b>	<b>212.96</b>	<b>-</b>
14	<b>Total Outstanding as at year end</b>		
(a)	<b>Sundry creditors /payable</b>		
	Todi Exports (India)	8.75	8.75
	Todi Industries	43.24	117.93
	<b>Total</b>	<b>51.99</b>	<b>126.68</b>
(b)	<b>Unsecured Loans</b>		
	Mr. Navin Kumar Todi	51	51
	Mr. Rahul Kumar Todi	5	5
	Mr. Prabha Devi Todi	112	-
	<b>Total</b>	<b>168</b>	<b>56</b>
(c)	<b>Sundry Debtors</b>		
	Lux Industries Ltd	1,687.51	2,546.93
	Todi Industries	296.03	174.34
	Ebell Fashion Pvt Ltd	20.78	-
	<b>Total</b>	<b>2,004.32</b>	<b>2,721.27</b>
(d)	<b>Advance Receivable</b>		
	Todi Exports (India)	59	59
	Holly Field Traders Pvt Ltd	13.23	212.96
	Lux Industries Ltd	-	29.78
	<b>Total</b>	<b>72.23</b>	<b>301.74</b>
e)	<b>Loan and Advances</b>		
	Holly Field Traders Pvt Ltd	13.23	212.96
	<b>Total</b>	<b>13.23</b>	<b>212.96</b>

## 29. Auditor's Remuneration includes:

(Rs. in lacs)

	2019-20	2018-19
Audit Fees	8.00	7.00
Certification Fees	0.15	-
<b>Total</b>	<b>8.15</b>	<b>7.00</b>





**30. The details relating to Corporate Social Responsibility (CSR) expenditure are as follows:**

As per Section 135 of the Companies Act, 2013, a CSR committee had been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Act. The Utilization is done by way of contribution towards various activities.

(a) Amount spent during the year on:

(Rs. in lacs)

Sl. No.	Particulars	2019-20	2018-19
1.	Construction/ acquisition of any assets	-	-
2.	On purpose other than(1) above		
	- Education and Skill development	1.22	5.82
	- Health Care	0.05	5.25
	- Hunger Removal	10.11	6.21
	- Environmental Protection	5.07	5.37
	- Others	3.97	7.97
	<b>TOTAL</b>	<b>20.42</b>	<b>30.62</b>

**31. Gratuity Benefit Plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company has not funded the plan.

(a) The following table's summaries the components of the net benefit expenses recognized in the Profit and Loss Account and the funded status and amounts recognized in the Balance Sheet for respective plans.

(Rs. in lacs)

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Present Value of Obligation at the beginning of the year	73.14	58.81
Current Service Cost	15.93	11.33
Interest Cost	5.63	4.53
Net Actuarial Losses / (Gain)	(1.33)	(1.53)
Benefit Paid	-	-
Present Value of Obligation at the end of the year	93.37	73.14

The Provision for Gratuity is charged to the Statement of Profit and Loss and same is shown in Note No. 22 of the Notes to Financial Statements.



(b) Principle assumptions used in the determining gratuity obligation for the Company's are shown below:

Particulars	2019-20	2018-19
Discount Rate	7.00%	7.70%
Rate of increase in Salaries	6.00%	6.00%
Expected average remaining working lives of employees (years)	26.53	24.53
Withdrawal rates	Varying between 8% p.a. and 1% p.a. depending on duration and age of the employees.	

(c) Amount recognized in Current year and previous four years is as follows:

(Rs. In Lacs)

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16
Present value of obligation as at the beginning	73.14	58.81	42.25	35.47	23.14
Current Service cost	15.93	11.33	10.79	7.7	7
Interest cost	5.63	4.53	3.27	2.91	2.35
Total Expenses recognized in P/l account	20.23	14.33	16.55	7.75	12.33
Actuarial (gain) /loss during the year	-1.33	-1.53	2.49	-2.86	2.98
Actual benefit paid	0	0	0	-0.96	0
Present value of obligation as at the end of the year	93.37	73.14	58.81	42.25	35.47
Fair value of plan assets	-	-	-	-	-
Liability recognized in Balance Sheet	93.37	73.14	58.81	42.25	35.47

32. During the year the Company has given donations of Rs.2.03 lakhs to political parties as detailed below:

(Rs in Lacs)

Particulars	2019-20	2018-19
INDIAN COMMUNIST KATCHI	2.00	-
ALL INDIA FORWARD BLOC	0.03	-
<b>Total</b>	<b>2.03</b>	<b>-</b>



**33. Disclosures pursuant to Section 186 of the Companies Act, 2013 are as follows :**

(Rs in Lacs)

Sl. No.	Particulars	Year Ended March 31 <sup>st</sup> , 2020	Year Ended March 31 <sup>st</sup> , 2019
a)	<b>Loans and advances in the nature of loan to others</b>		
i)	Loan to Arihant Mafexco Pvt. Ltd.		
	Balance at the year end	-	-
	Maximum amount outstanding at any time during the year	-	0.15
	It is repayable over a period of 1 year and carries rate of interest of 12%		
ii)	Loan to Hillman Hosiery Mills Pvt Ltd.		
	Balance at the year end	-	-
	Maximum amount outstanding at any time during the year	-	514
	It is repayable over a period of 1 year and carries rate of interest of 12%		
iii)	Loan to Hollyfield Traders Traders Pvt Ltd.		
	Balance at the year end	13.23	212.96
	Maximum amount outstanding at any time during the year	212.96	212.96
	It is repayable over a period of 1 year and carries rate of interest of 9%		

**34. Particulars in respect of sales**

Class of goods	Value (Rs. In Lacs)	
	2019-20	2018-19
Knitwear	30,927.92	32,819.29

**35. Details of Finished Stock**

Class of goods	Value (Rs. in lacs)	
	2019-20	2018-19
i) Opening stock Knitwear	4,235.80	4353.44
ii) Closing stock Knitwear	6140.72	4235.80



**36. Particulars about Work in Progress**

Class of goods	Value (Rs. in lacs)	
	2019-20	2018-19
Fabrics	4914.61	5124.77

**37. Details of Raw Materials consumed during the year**

Class of goods	Value (Rs. in lacs)	
	2019-20	2018-19
Yarn	8,455.61	9,512.57
Fabrics	931.98	1078.09
Packing Material & Others	4640.60	3,733.42
<b>Total</b>	<b>14,028.19</b>	<b>14,324.08</b>

**38. Value of imported and indigenous raw materials and spares consumed and percentage of each to total consumption:**

Class of goods	Percentage		Value (Rs.)	
	2019-20	2018-19	2019-20	2018-19
<b>(a) Raw Materials</b>				
Imported	-	-	-	-
Indigenous	100.00	100.00	14,028.19	14,324.08
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>14,028.19</b>	<b>14,324.08</b>

**39. Value of imports during the year on C.I.F. basis**

Class of goods	2019-20	2018-19
Raw Materials	Nil	Nil
Capital Goods	Nil	6.23

**40. Foreign currency Transaction:**

Nature of Transaction	2019-20	2018-19
Earning in foreign Currency	Nil	Nil
Expenditure in foreign Currency	Nil	Nil

**41. Amalgamation:**

Scheme of Amalgamation of the Company with Lux Industries Limited has been approved on June 26<sup>th</sup> 2018, by the Board of Directors of the respective companies and has been filed with the National Company Law Tribunal after receiving approvals from stock exchanges. Pending the regulatory approvals, no effect of the proposed merger has been considered in this statement.

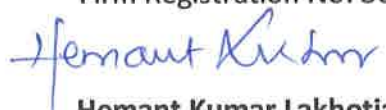


- 42.** The operations of the company were impacted in the month of March 2020 due to temporary shutdown of the plants following nationwide lockdown announced by the Government of India due to the COVID- 19 outbreak. The management is monitoring the situation closely and has started its plant/operations in a phased manner from the end of April 2020. The Company has assessed and considered the impact of this Pandemic on the carrying amount of inventories, receivables and other assets and the management estimates that the Company's liquidity position is comfortable and there is no material uncertainty in meeting the liability for the foreseeable future. However, the situation is still evolving and the eventual outcome of impact of the global pandemic may be different from those estimated as on date of approval of these financial statements.
- 43.** Balances of some parties (including Trade receivables and Trade payables) and loans and advances are subject to reconciliation/ confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
- 44.** Previous year figures have been recasted/ restated whenever necessary to conform to the current year's presentation.

**For S K AGRAWAL AND CO.**

**Chartered Accountants**

Firm Registration No: 306033E



**Hemant Kumar Lakhotia  
(Partner)**

**Membership no. 068851**



  
**Ashok Kumar Todi**

**For and on behalf of the Board**

  
**Pradip Kumar Todi**

**Place: Kolkata**

**Date: 15 OCT 2020**

**Director  
DIN-00053599**

**Director  
DIN-00246268**

**J M. Hosiery & Co. Limited**  
  
**Shweta Verma  
Company Secretary**