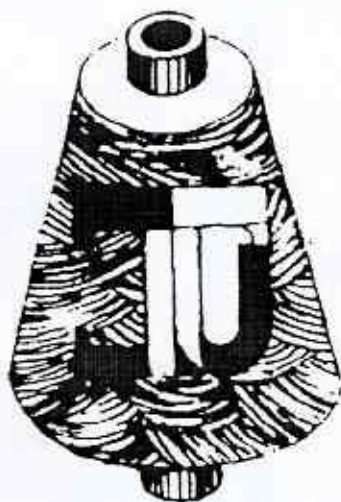


25th ANNUAL REPORT

2017-2018



UNITED TEXTILES LIMITED

REGD. OFFICE & WORKS: 7TH K.M. STONE BARWALA ROAD, HISAR-125001 (HARYANA), INDIA
PHONE (O) : 01662-276182 • Email: unitedtextilesld@gmail.com Website : www.unitedtextileslimited.com
CORPORATE OFFICE: DEVI BHAWAN ROAD, HISAR-125001 PH. 01662-232078

BOARD OF DIRECTORS

Sh. Arun Kumar Aggarwal
Executive Director & CFO

Smt. Shalini Aggarwal

Sh. Vinod Kumar Aggarwal

Sh. Ashok Kumar Aggarwal

Sh. Anil Kumar Gupta

AUDITORS

M/s N. C. Aggarwal & Co.
Chartered Accountants

BANKER

Oriental Bank of Commerce

REGISTERED OFFICE & WORKS

7th K.M. Stone, Barwala Road,
Hisar-125001 (Haryana)

CORPORATE OFFICE

Devi Bhawan Road,
Hisar-125001 (Haryana)

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UNITED TEXTILES LIMITED

NOTICE

NOTICE is hereby given that the '25TH ANNUAL GENERAL MEETING' of members of **UNITED TEXTILES LIMITED** (CIN L17115HR1993PLC032092) will be held on Saturday, the 29th day of September, 2018 at 11.00 A.M. at the Registered office of the Company at 7th K.M Stone, Barwala Road, Hisar – 125001 to transact the following business :-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2018, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Sh. Vinod Kumar Agarwal (DIN - 01614768), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 (2) and 142(1) of the Companies Act, 2013 the re-appointment of the statutory auditors of company M/s. P.C. GOYAL & CO., Chartered Accountants (Firm Registration No. 002368N) be and is hereby ratified by the members of the company, until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company."

BY ORDER OF THE BOARD

REGISTERED OFFICE

7th K.M Stone
Barwala Road, Hisar – 125 001

Date : 13th August, 2018

CIN : L17115HR1993PLC032092

Phone : (01662) 276182 Fax: (01662) 276182

Email : unitedtextilesltd@gmail.com

Arun Kumar Aggarwal
(Executive Director)
DIN- 00248510

UNITED TEXTILES LIMITED

NOTES:-

1. A member entitled to attend and vote at the Annual General Meeting (the 'Meeting') is entitled to appoint a proxy to attend and vote on a poll, instead of her/him and the proxy need not be a Member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.

A proxy form is sent herewith. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (Ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.

2. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
3. The Company's Register of Members and Transfer Books will remain closed from Friday, **September 28, 2018 to Saturday, September 29, 2018** (both days inclusive).
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days viz. Monday to Friday, between 11.00 A.M. and 1.00 P.M. from dispatch of notice till the date of the Meeting or any adjournment(s) thereof.

UNITED TEXTILES LIMITED

8. At the ensuing Annual General Meeting, Sh. Vinod Kumar Agarwal who is retiring by rotation, being eligible, is offering himself for re-appointment.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registrar.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
11. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.
12. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system from a place other than venue of AGM (remote e-voting) under an arrangement with National Securities Depository Limited ("NSDL") as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 22nd September, 2018, i.e. the cutoff date are entitled to vote on the Resolutions set forth in this Notice. The Remote e-voting period will commence at 9.00 a.m. on Wednesday, September 26, 2018 and will end at 5.00 p.m. on Friday, September 28, 2018. The Notice of the Meeting will also be available on the the website of NSDL: www.evoting.nsdl.com.
13. The procedure and instructions for e-voting are as under:
 1. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
 - a. Open e-mail and open PDF file viz. "UTL-remote e-Voting. pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.

UNITED TEXTILES LIMITED

- c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "United Textiles Limited".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to aniljain64@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. In case of Members receiving Physical copy of Notice of 25th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
- a. Initial password is provided above the attendance slip for the AGM.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
14. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
15. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

UNITED TEXTILES LIMITED

16. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
17. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2018.
18. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2018, will be provided the notice through mail or by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA , INDUS Portfolio Private Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

19. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
20. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
21. Sh. Anil Kumar Jain, Practicing Chartered Accountants (Membership No.088037), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
22. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
23. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

UNITED TEXTILES LIMITED

24. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to the BSE Limited.

BY ORDER OF THE BOARD

REGISTERED OFFICE

7th K.M Stone, Barwala Road

Hisar – 125 001

Date : 13th Aug, 2018

CIN : L17115HR1993PLC032092

Phone : (01662) 275478 Fax: (01662) 276182

Email : unitedtextilesLtd@gmail.com

Arun Kumar Aggarwal

(Executive Director)

DIN-00248510

**Details of Director seeking appointment/re-appointment/retiring by rotation
(In pursuance of SEBI LODR)**

Director Name	Mr. Vinod Kumar Agarwal
Date of Birth	10/10/1965
Qualification	Matric
Date of Appointment	12/12/2015
Directorship in other Companies as on 31.03.2018	Nil
Relationship with other Directors of the Company	Sh. Arun Kumar Aggarwal & Smt. Shalini Aggarwal are related to Sh. Vinod Kumar Agarwal.
Membership/Chairmanship of Committees of other public companies as on 31.03.2018	Nil
Shareholding in United Textiles Limited	60500

UNITED TEXTILES LIMITED

DIRECTOR'S REPORT

To
The Members,
UNITED TEXTILES LIMITED

Your directors have pleasure in presenting the '25th ANNUAL REPORT' together with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	2017-2018	2016-2017
Revenue from Operation and Other Income	1193	1352
Profit/(Loss) before depreciation, Interest & Taxes	62	77
Depreciation & Amortization Expenses	29	35
Finance Cost	30	30
Profit/(Loss) before Taxes	3	12
Provision of Tax/Tax Paid (Incl. Deferred Taxation)	1	3
Profit/(Loss) after Tax	2	9

BUSINESS PERFORMANCE

During the year the company has achieved gross revenue of Rs. 1193.52 Lacs as compared to previous year of Rs. 1352.24 Lacs. The company has earned profit before tax of Rs. 2.44 Lacs as compared to previous year of Rs. 11.76 Lacs. The fall in Sales and Profit is due to unfavorable market conditions prevailing in the previous year. However, presently the market condition are improving gradually.

DIVIDEND

In order to conserve resources by the Company, the Board does not recommend any dividend for the financial year ended 31st March, 2018.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was Rs.3,00,00,000/-. During the year under review the company has not issued any shares or any convertible instruments.

MANAGEMENT DISCUSSION & ANALYSIS

The Spinning Yarn Industry is a lifeline in Textile Business of India. The majority of employment in India is absorbed by Textile Industry. Keeping in view of its importance the Govt. has

UNITED TEXTILES LIMITED

constituted a separate Department under Textile Ministry. The Govt. has also constituted a Technology upgradation Fund (TUF) by which concessional Loan / subsidy is granted by Govt. through its various nodal agencies for upgradation in technology.

The main Raw Material is cotton, which is based on Agricultural production of Cotton. The Production is dependent on Monsoon. In Indian climatic condition the monsoon is always an unpredictable factor. Sometimes there is heavy rainfall & sometime the drought situation is created, which affects the production of Cotton to a great extent creating heavy fluctuation in raw material prices. However, the company has some what managed situation & earned profit during the year.

CORPORATE SOCIAL RESPONSIBILITY

The company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of the Companies Act, 2013 are not applicable.

HUMAN RESOURCES

Our underlying belief is that Human Resource Development today is about nurturing human resources and leveraging human capital towards the achievement of business goals. The Company is committed towards creation of opportunities for its employees that help attract, retain and develop a diverse workforce.

BUSINESS RISK MANAGEMENT

The Company has developed & implemented Risk Management Policy. However, Company has not come across any element of risk which may threaten the existence of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As required under section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Boards and its Powers) 2014 and Regulation 22 & 46(2)(e) of SEBI(Listing Obligation & Disclosure Requirement) Regulation, 2015, the Company has adopted a policy on vigil mechanism/whistle blower. The policy provides direct access to the Chairman of the Audit Committee in case any employee should choose to report or bring up a complaint. The company affirms that no one has been denied access to the Chairman of the Audit Committee and also that no complaints were received during the year.

INTERNAL FINANCIAL CONTROLS

UNITED TEXTILES LIMITED

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

DIRECTORS & KMP

Sh. Vinod Kumar Agarwal, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment.

All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015.

BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013 and SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Remuneration and Share Transfer committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

MEETINGS

During the year Four Board Meetings and one independent directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and "SEBI Listing Regulations" were adhered to while considering the time gap between two meetings.

AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

1. Sh. Anil Kumar Gupta, Chairman Non Executive & Independent Director

UNITED TEXTILES LIMITED

2. Sh. Ashok Kumar Agarwal, Member Non Executive & Independent Director
3. Sh. Arun Kumar Aggarwal, Member Executive Director

NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination & Remuneration Committee comprising of the following directors:

1. Sh. Ashok Kumar Aggarwal, Chairman Non Executive & Independent Director
2. Sh. Anil Kumar Gupta, Member Non Executive & Independent Director
3. Smt. Shalini Aggarwal, Member Non Executive Director

STAKEHOLDER RELATIONSHIP COMMITTEE:

The company is having a Stakeholder Relationship Committee comprising of the following directors:

1. Sh. Anil Kumar Gupta, Chairman Non Executive & Independent Director
2. Sh. Arun Kumar Aggarwal, Member Executive director
3. Smt. Shalini Aggarwal, Member Non Executive Director

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;

UNITED TEXTILES LIMITED

- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons or entities which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

MATERIAL CHANGES

There are no significant material changes during the year which would impact the going concern status of the Company and its future operations.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

STATUTORY AUDITORS

M/S P.C. GOYAL & Co., Chartered Accountants (Firm Registration No - 002368N) was appointed as Statutory Auditor of the Company & now consented for re appointment. The board recommends their appointment as Statutory Auditors for the ensuing year.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Anju Jain (CP No.: 2728, ACS No: 11056), Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as 'Annexure 1'.

UNITED TEXTILES LIMITED

AUDITORS OBSERVATIONS

The auditor's observations being self explanatory have been duly explained in the notes to the accounts.

FIXED DEPOSITS

The company has not accepted any fixed deposits from the public.

INSURANCE

The Company's properties have been adequately insured.

COMPLIANCE OF GUIDELINES OF SEBI/STOCK EXCHANGE

We have duly complied with all the guidelines issued by SEBI/Stock Exchange.

CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 entered into with the stock exchange, a separate section on corporate governance and a certificate obtained from the auditors of the company regarding compliance with the conditions of corporate governance are forming part of this annual report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure 2".

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9 is given on website "www.unitedtextileslimited.com".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or provided any guarantee or made any investment

UNITED TEXTILES LIMITED

covered under section 186 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company takes all necessary measures to ensure a harassment-free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. During the year, there were no complaints relating to sexual harassment.

ACKNOWLEDGMENT

Your directors are pleased to place on record their sincere gratitude to the Government Authorities, Financial Institutions, Bankers, Shareholders, Customers, Dealers and Vendors for their continued and valuable co-operation and support to the Company.

Your directors express their deep appreciation for the devoted and sincere efforts put in by the members of the team at all levels of operations in the Company during the year. The company feels confident of continued co-operation and efforts from them in future also.

FOR AND ON BEHALF OF THE BOARD

REGISTERED OFFICE :

7th K.M. Stone
Barwala Road, Hisar – 125 001

Date : 30th May, 2018

Shalini Aggarwal
(Director)
DIN – 00248578

Arun Kumar Aggarwal
(Executive Director)
DIN – 00248510

CIN : L17115HR1993PLC032092
Phone : (01662) 276182 Fax: (01662) 276182
Email : unitedtextilesltd@gmail.com

UNITED TEXTILES LIMITED

Annexure - 1

FORM No. MR - 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
UNITED TEXTILES LIMITED,
7th K.M.STONE, BARWALA ROAD,
Hisar-1250 01 (Haryana)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UNITED TEXTILES LIMITED (CIN : L17115HR1993PLC032092)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

UNITED TEXTILES LIMITED

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

(vi) OTHER APPLICABLE ACTS;

- a. Factories Act, 1948;
- b. Industrial Disputes Act, 1947;
- c. Payment of Wages Act, 1936;
- d. The Minimum Wages Act, 1948;
- e. Employees' State Insurance Act, 1948;
- f. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- g. The Payment of Bonus Act, 1965;
- h. The Industrial Employment (Standing Orders) Act, 1946;
- i. Payment of Gratuity Act, 1972;
- j. The Workmen's Compensation Act, 1923;
- k. Air (Prevention & Control of Pollution) Act, 1981;
- l. Water (Prevention & Control of Pollution) Act, 1974;
- m. Hazardous Waste (Management & Handling) Rules, 1989;
- n. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- o. Environment (Protection) Act, 1986;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

MANAGEMENT RESPONSIBILITY

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done

UNITED TEXTILES LIMITED

on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or examined any books, information or statements other than Books and Papers.
4. I have not examined any other specific laws except as mentioned above.
5. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis;
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

CS Anju Jain
Company Secretary in Practice
ACS No. : 11056
C P No.: 2728

Place : Hisar
Date : 28th May, 2018

UNITED TEXTILES LIMITED

ANNEXURE – 2

A. CONSERVATION OF ENERGY

The following measures have been taken by the company for conservation of energy:-

- (i) Improving power factor by proper choice of capacitors from time to time depending upon the load.
- (ii) Utilising the proper load of plant and equipments, electric motors etc.
- (iii) Reducing the maximum demand by properly distribution of load.

B. RESEARCH AND DEVELOPMENT (R&D)

CURRENT
YEAR

PREVIOUS
YEAR

1. Specific areas in which R & D carried out by the company)
2. Benefits derived as a result of the above R & D.)
3. Future plan of action)
4. Expenditure on R & D :)
- a) Capital)
- b) Recurring)
- c) Total)
- d) Total R & D expenditure as a percentage of total turnover)

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION)

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.)

2. Benefits derived as a result of the above efforts, e.g., production, product development import substitution etc.)

In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year following information may be furnished).)

NIL

NIL

- a) Technology imported.)
- b) Year of import.)
- c) Has technology been fully absorbed)
- d) If not fully absorbed, areas where this has not taken place reasons therefore and future plans of action)

UNITED TEXTILES LIMITED

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports; initiative taken to increase export; development of new export markets for products and services; and export plans.	NIL	NIL
b) Total foreign exchange earned	NIL	NIL

Corporate Governance Report for the Financial Year 2017-2018

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The basic philosophy of corporate governance in the company is:-

- Fair and transparent business practices.
 - Effective Management Control by Board.
 - Compliance of laws.
 - Transparent and timely disclosure of Financial and Management information.
- (i) Adequate representation of Promoter, Executive and Independent Directors on the Board.
- (ii) Accountability for performance.

BOARD OF DIRECTORS

The size and composition of the Board confirms to the requirements of the code on Corporate Governance under the SEBI (LISTING OBLIGATION & DISCLOSURE REQUIREMENTS) REGULATION, 2015 with BSE Limited, Mumbai.

During the Financial Year 2017-2018, the Board of Directors met 4 times on: 30.05.2017, 14.08.2017, 12.12.2017 & 12.02.2018.

(a) Constitution of the Board and related information

UNITED TEXTILES LIMITED

Name of Director	Category	No. of Board Meetings During The Year 2017-18		Last Annual General Meeting Attended Held on 29 th , Sept 2017	Number of Directorships in other Public Companies	No. of membership/ chairmanship in other Board Committee	
		Held	Attended			Chairman	Member
Sh. Arun Kumar Agarwal * DIN - 00248510	Promoter and Executive Director	4	4	Yes	0	0	2
Smt. Shalini Aggarwal * DIN - 00248578	Non-Executive Director	4	4	Yes	0	0	2
Sh. Vinod Kumar Agarwal * DIN - 01614768	Non-Executive Director	4	4	Yes	0	0	0
Sh. Anil Kumar Gupta DIN - 06726726	Non-Executive & Independent Director	4	2	NO	0	2	1
Sh. Ashok Chhogmal Agarwal DIN - 07011524	Non-Executive & Independent Director	4	2	NO	0	1	1

* Sh. Arun Kumar Aggarwal, Smt. Shalini Aggarwal & Sh. Vinod Kumar Agarwal are related to each other.

As required by the Companies Act, 2013 and SEBI Listing Regulations, none of the directors

1. Hold directorship in more than 10 public companies or
2. Independent Directorship in more than 7 listed companies or
3. Holding whole time Directorship along with holding Independent Directorship in more than 3 Listed companies or
4. Holding membership of committees of the Board in excess of 10(Audit Committee/ stakeholders Relationship committee) or chairmanship of 5 committees of the Board.

During the year, information as mentioned in Schedule II Part A of the SEBI Listing Regulations of the Listing Agreements has been placed before the Board for its consideration.

The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013.

The company has formulated a policy to familiarize the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

(b) Independent Directors Meeting

As required under the Companies Act, 2013 and SEBI Listing Regulations a separate meeting of

UNITED TEXTILES LIMITED

Independent Directors of the Company was held on 28th March, 2018. Both the Independent Directors viz. Sh. Anil Kumar Gupta & Sh. Ashok Chhogmal Agarwal have attended the meeting.

The Independent Directors, *inter-alia*, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

Shareholding of Non-Executive Director

S. No.	Name of the Director	No. of Shares held
1	Sh. Ashok Chhogmal Agarwal	Nil
2	Smt. Shalini Aggarwal	35,500
3	Sh. Anil Kumar Gupta	Nil
4	Sh Vinod Kumar Agarwal	60500

(C) Code of Conduct for Board members and Senior Management

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. Additionally all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

(d) Disclosure of Directors Inter-se Relationships

Sh. Arun Kumar Aggarwal , Smt. Shalini Aggarwal & Sh. Vinod Kumar Agarwal are related to each other.

(e) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulation, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Remuneration as well as Share Transfer & shareholders/investors grievances committee. The Directors expressed their satisfaction with the evaluation process.

BOARD COMMITTEES

UNITED TEXTILES LIMITED

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has three committees i.e. Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

(a) Audit Committee

1 The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

2. The terms of reference of the audit committee are broadly as under:

- i. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee acts as a link between the Management, Auditors and the Board of Directors of the Company and has full access to the financial Information.
- ii. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory authorities.
- iii. Reviewing the Management Discussion & Analysis of financial and operational performance.
- iv. Reviewing with the management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
- v. Review the adequacy and effectiveness of the company's system and internal control.
- vi. Evaluation of internal financial controls and risk management systems.
- vii. To review the functioning of the Whistle Blower mechanism.

Audit & other duties

- i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ii. Discussion with internal auditors of any significant findings and follow up there on.

UNITED TEXTILES LIMITED

- iii. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and internal Auditors considering their independence and effectiveness and their replacement and removal.
- iv. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
- v. To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

The Audit Committee has three members viz. Sh. Anil Kumar Gupta (Chairman), Sh. Ashok Chhogmal Aggarwal and Sh. Arun Kumar Agarwal. All Members of the Audit Committee are financially literate.

During the Financial Year 2017-18, the Audit Committee met 4 times on 16.05.2017, 08.08.2017, 07.11.2017 & 06.02.2018. The attendance of the members of the Committee is given below:

Committee Members	Category	No. of Audit Committee Meetings Attended
Sh. Anil Kumar Gupta, Chairman	Non-Executive, Independent Director	4
Sh. Ashok Chhogmal Aggarwal, Member	Non-Executive, Independent Director	2
Sh. Arun Kumar Aggarwal, Member	Executive Director	4

(a) Nomination & Remuneration Committee

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional

UNITED TEXTILES LIMITED

services are suitably remunerated according to the industry norms.

The Committee comprises of three members viz Sh. Ashok Chhogmal Agarwal (Chairman), Sh. Anil Kumar Gupta and Smt. Shalini Aggarwal as the other two members.

Remuneration Committee Meeting (Attendance) : The committee met once during the year on 02.04.2017 and was attended by all the three members.

Remuneration Policy: The Whole Time Director is paid remuneration approved by the Board of Directors on the recommendation of Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders at the Annual General Meeting and such other authorities as the case may be. The Non-Executive Directors do not draw any remuneration from the company.

Remuneration paid to Sh. Arun Kumar Aggarwal, Executive Director for the F.Y. 2017-2018

(Amount in Rs.)

Salary	2,40,000
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Note : None of the non-executive directors has any pecuniary relationship or transaction vis-à-vis the company.

(b) Stakeholder Relationship Committee

In terms of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and erstwhile Clause 49 of the Listing Agreement, the Board re-named the then 'Shareholders / Investors Grievance Committee' as the 'Stakeholders Relationship Committee'.

The broad terms of reference of the stakeholders' relationship committee are as under:

- (i) Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
- (ii) Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- (iii) The committee consists of the following Directors as its members:

1. Sh. Anil Kumar Gupta – Chairman
2. Sh. Arun Kumar Aggarwal – Member
3. Smt. Shalini Aggarwal – Member

No Complaint Received from any Investor During the Year.

The Committee met once during the financial year on 31.01.2018. The attendance of the members of the Committee is given below:

UNITED TEXTILES LIMITED

Committee Members	Category	No. of Stakeholders Relationship Committee Meeting Attended
Sh. Anil Kumar Gupta, Chairman	Non-Executive, Independent Director	1
Sh. Arun Kumar Aggarwal Member	Executive Director	1
Smt. Shalini Aggarwal, Member	Non-Executive Director	1

SUBSIDIARY COMPANY

The Company does not have any subsidiary Company.

CEO/CFO CERTIFICATION

In terms of Regulation 17(8) of SEBI Listing Regulation, the chief executive officer and the chief financial officer shall provide the compliance certificate to the board of directors as specified in Part B of Schedule II of the said regulation.

In terms of Regulation 33(2)(a) of SEBI Listing Regulation, the CEO & CFO certified the quarterly financial results while placing the financial result before the Board.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

DISCLOSURES

The Company has adopted a Related Party Transaction Policy. The transactions with related parties are monitored in accordance with the policy. There were no materially significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given elsewhere in the Annual Report as per Accounting Standard.

It is confirmed that:

- No penalty or strictures have been imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years. However, the company was placed under the list of shell companies, which was later on removed by BSE.
- A Whistle Blower Policy is adopted by the Company, the whistle blower mechanism is in vogue and no personnel have been denied access to the Audit Committee.
- There has been no deviation from the Accounting standards in preparation of annual accounts for the financial year 2017-18.

UNITED TEXTILES LIMITED

- All the mandatory requirements of Corporate Governance as prescribed under SEBI Listing Regulation have been duly complied with.
- The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

GENERAL BODY MEETINGS

The location, date and time, where last three Annual General Meetings were held:

Year	Location	Date	Time
2014-2015	7th K.M.Stone Barwala Road, Hisar – 125 001	Saturday, 26.09.2015	11.00 A.M.
2015-2016	7th K.M.Stone Barwala Road, Hisar – 125 001	Thursday, 29.09.2016	11.00 A.M.
2016-2017	7th K.M.Stone Barwala Road, Hisar – 125 001	Friday, 29.09.2017	11.00 A.M.

The details of special resolutions passed in the previous three Annual General Meetings:

Sr. No.	Date of AGM	Item of Special Resolution
1	26.09.2015	None
2	29.09.2016	None
3	29.09.2017	None

No resolution was passed through postal ballot last year.

MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the annual, half-yearly and quarterly Financial Results in the proforma prescribed by the Stock Exchanges. These results are promptly submitted to BSE Limited, Mumbai, where shares of the company are listed. The same are also published in national and regional newspapers such as Vypar Bharti (Regional Language) & The Pioneer (English Language).

GENERAL SHAREHOLDERS INFORMATION

25th Annual General Meeting

Day, Date & Time : Saturday, 29th September, 2018 at 11.00 A.M.

Venue : 7th K.M. Stone, Barwala Road, Hisar (Haryana)

Financial Year : April to March

Date of Book Closure : 28th September, 2018 to 29th September, 2018 (Both days inclusive)

UNITED TEXTILES LIMITED

Listing on Stock Exchange	:	BSE Limited, Mumbai
Stock Code	:	521188
Demat ISIN in NSDL & CDSL	:	INE727E01012
Financial Calendar	:	The Board of Director of the Company approves audited/unaudited results for each quarter within such number of days as may be prescribed under Listing Agreement from time to time.

Market Price Data : High, Low during each month in the financial year 2017-2018:

MONTHS	HIGH PRICE	LOW PRICE
APRIL, 2017	7.51	6.32
MAY, 2017	6.96	5.13
JUNE, 2017	5.64	4.85
JULY, 2017	6.17	4.85
AUGUST, 2017	0	0
SEPTEMBER, 2017	0	0
OCTOBER, 2017	0	0
NOVEMBER, 2017	0	0
DECEMBER, 2017	0	0
JANUARY, 2018	0	0
FEBRUARY, 2018	0	0
MARCH, 2018	0	0

These data is from BSE Site : www.bseindia.com

Reconciliation of Share Capital Audit

A Chartered Accountants carried out the Share Capital Reconciliation Audit to reconcile the total issued and paid up capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the total number of Shares in the physical form and the total number of dematerialized shares held with NSDL and CDSL.

Registrar & Transfer Agent (RTA)

All the works relating to the shares registry both for the shares held in the physical as well in the electronic form (demat) are being done at the single point and for this purpose SEBI Registered Category - I Registrar and Share Transfer Agent has been appointed w.e.f. 01/09/2003 whose address is as under :-

INDUS PORTFOLIO PRIVATE LIMITED
G-65, BALI NAGAR

UNITED TEXTILES LIMITED

New Delhi-110015

Tel. No. : 011-47671217, 011-47671214, 011-47671206

Email : cs.anamika@indusinvest.com

Share Transfer System

58.50% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with INDUS Portfolio Private limited at the above mentioned address.

With regard to transfer of equity shares in physical form, the shares transfer instrument, received in physical form, are processed by our R&T Agents, INDUS Portfolio Private limited & the shares certificates are dispatched within a period of 30 days from the day of receipt thereafter subject to the documents being complete and valid in all respects.

As per the requirement of Regulation 40(9) of SEBI Listing Regulation, company has regularly obtained the necessary certificate from a company secretary in practice and submitted the same to BSE Limited on half-yearly basis, confirming due compliance of share transfer related activities by the Company.

Distribution of Shareholding as on 31.03.2018:

No. of equity shares held	Total Holders	% of share holder	No. of shares held	% of share holding
Upto 500	3689	87.09	487510	39.03
501 to 1000	209	4.93	172045	3.08
1001 to 5000	234	5.52	671226	3.90
5001 to 10000	67	1.58	473784	1.81
10001 to 20000	23	0.54	363993	3.35
20001 to 30000	3	0.07	74900	4.61
30001 to 40000	2	0.05	75500	0.00
40001 to 50000	5	0.12	240525	3.60
50001 to 100000	1	0.02	57300	12.32
100001 and above	3	0.07	383217	28.29
TOTAL	4,236	100.00	30,00,000	100.00

Shareholding Pattern as on 31.03.2018:

Category	No. of Shares	% of Paid-up Capital
Indian Promoters	1194933	39.83
Private Corporate Bodies	74290	2.47
Indian Public	1730777	57.70
TOTAL	30,00,000	100.00

UNITED TEXTILES LIMITED

Dematerialisation of Shares : As on 31st March, 2018, 17,55,075 shares (58.50%) are in Electronic Form and 12,44,925 shares (41.50%) are in Physical Form.

Plant Location : 7th K.M.Stone Barwala Road, Hisar – 125 001 (Haryana)

Address for Correspondence : United Textiles Limited
7th K.M.Stone, Barwala Road, , Hisar – 125 001 (Haryana)
CIN – L17115HR1993PLC032092
Ph. : 01662-276182, Fax : 01662-276182
Email : unitedtextilesLtd@gmail.com

Compliance Officer : The name and designation of the Compliance Officer of the company is Mr. Sunder Singh, Accounts Officer.

Compliance : Compliance certificate obtained from the Auditors is attached to this report.

FOR AND ON BEHALF OF THE BOARD

REGISTERED OFFICE

7th K.M. Stone Barwala Road
Hisar – 125 001

Date : 30th May, 2018

Shalini Aggarwal
(Director)
DIN – 00248578

Arun Kumar Aggarwal
(Executive Director)
DIN – 00248510

CIN : L17115HR1993PLC032092

Ph.: 01662-276182, Fax : 01662-276182

Email : unitedtextilesLtd@gmail.com

UNITED TEXTILES LIMITED

CERTIFICATE OF CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER

To the Board of Directors
UNITED TEXTILES LIMITED

I, Arun Kumar Aggarwal, Chief Financial Officer of UNITED TEXTILES LIMITED certify that :

I have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2018 and to the best of our knowledge and belief :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2018 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. I further certify that we have indicated to the Auditors and the Audit Committee :
 - a) There have been no Significant changes in internal control over financial reporting system during the year.
 - b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and
 - c) There have been no instances of fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

PLACE : HISAR
Date : 30th May, 2018

Arun Kumar Aggarwal
(CHIEF FINANCIAL OFFICER)

UNITED TEXTILES LIMITED

To,

The Members of **United Textiles Limited**

We have examined the compliance of conditions of corporate governance by **United Textiles Limited**, for the year ended March 31, 2018 as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of corporate governance is the responsibility of the Company's Management. Our Responsibility is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, the Standards on Auditing specified under Section 143(10) of the Companies Act 2013 in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For P.C. Goyal & Co.,

Chartered Accountants

Firm Registration No. 002368N

(M.P. Jain)

Partner

M. No. 082407

Dated: 30th May, 2018

Place : Hisar

UNITED TEXTILES LIMITED

INDEPENDENT AUDITORS' REPORT

To

The Members of UNITED TEXTILES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **UNITED TEXTILES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

UNITED TEXTILES LIMITED

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 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, 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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 account as required by law have been kept by the Company so far as appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015.

(e) On the basis of the written representations received from the directors of the company as on March 31, 2018 taken on record by the Board of Directors, none of the directors of the company are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-B**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

P.C. GOYAL & CO.

UNITED TEXTILES LIMITED

CHARTERED ACCOUNTANTS

- i. The Company does not have any pending litigations as on March 31, 2018;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amount payable towards investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

For P.C. Goyal & Co.,

Chartered Accountants

Firm Registration No. 002368N

(M.P. Jain)

Partner

M. No. 082407

Dated: 30th May, 2018

Place: HISAR

UNITED TEXTILES LIMITED

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **UNITED TEXTILES LIMITED** on the accounts for the year ended March 31, 2018)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Management in accordance with a phased programme of verification adopted by the Company has physically verified a major portion of the fixed assets. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
(c) According to the information and the explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3. According to the information and the explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the order are not applicable to the company and hence not commented upon.
4. The Company has not granted any loans or given any guarantee and security covered under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order are not applicable to the company and hence not commented upon.
5. According to the information given to us, the Company has not accepted any deposits under the provisions of section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the companies Act and the Companies (Acceptance of Deposits) Rules, 2014. No order has been passed with respect to Section 73 to 76, by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal.
6. As informed to us, Company is not required to maintain the cost records under sub-section (I) of section 148 of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the order are not applicable to the company.
7. (a) According to the information and explanations given to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. There are no arrears as at March 31, 2018 for a period of more than six months from the date they become payable.
(b) According to the information and explanations given to us, there are no dues in respect of income tax, sales-tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. In our opinion, on the basis of books and records examined by us and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The

UNITED TEXTILES LIMITED

company does not have any dues to financial institutions, government or debenture holders.

9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were raised, other than temporary deployment pending allocation.
10. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the year.
11. The Company has paid/ provided for managerial remuneration to whole-time director in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
12. The company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. The Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as covered under Section 192 of the Companies Act, 2013. Accordingly, provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

For P.C. Goyal & Co.,

Chartered Accountants

Firm Registration No. 002368N

(M.P. Jain)

Partner

M. No. 082407

Dated: 30th May, 2018

Place: Hisar

UNITED TEXTILES LIMITED

ANNEXURE-B TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of UNITED TEXTILES LIMITED on the accounts for the year ended 31st March, 2018

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

We have audited the internal financial controls over financial reporting of UNITED TEXTILES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

UNITED TEXTILES LIMITED

Meaning of Internal Financial Controls over Financial Reporting.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For P.C. Goyal & Co.,

Chartered Accountants

Firm Registration No. 002368N

(M.P. Jain)

Partner

M. No. 082407

Dated: 30th May, 2018

Place: Hisar

UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED

Balance Sheet as at March 31, 2018

CIN No. L17115HR1993PLC032092

(Amount in Rs.)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	1	97,604,178	100,556,384	104,158,555
(b) Capital work-in-progress		-	-	-
(c) Financial Assets				
(i) Other Financial Assets	2	1,403,121	1,403,121	1,403,121
(2) Current assets				
(a) Inventories	3	24,064,402	32,102,674	24,663,290
(b) Financial Assets				
(i) Trade Receivables	4	22,817,080	9,473,204	15,440,992
(ii) Cash and cash equivalents	5	251,697	470,784	843,312
(iii) Bank balances other than (ii) above	6	1,497,108	1,095,000	1,095,000
(iv) Other Financial Assets	7	-	289,797	220,014
(c) Current Tax Assets (Net)	8	-	12,587	-
(d) Other Current Assets	9	701,477	1,294,261	864,399
TOTAL ASSETS		148,339,063	146,697,812	148,688,684
II. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Equity Share capital	10	30,000,000	30,000,000	30,000,000
(b) Other Equity		73,889,026	73,596,001	72,682,511
(2) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	11	886,352	3,975,371	7,860,020
(b) Provisions	12	445,378	481,879	250,905
(3) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	25,597,824	24,624,976	14,792,131
(ii) Trade payables	14	10,742,856	7,321,108	16,333,634
(iii) Other financial liabilities	15	6,715,405	5,987,841	5,945,824
(b) Current Tax Liabilities (Net)	16	39,392	-	36,533
(c) Other Current Liabilities	17	12,861	699,245	778,762
(d) Provisions	18	9,969	11,391	8,364
TOTAL EQUITY AND LIABILITIES		148,339,063	146,697,812	148,688,684

Significant accounting policies and notes to the financial statements

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In terms of our report of even date annexed hereto

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL
(Whole-time Director)
DIN No: 00248510

(M.P. Jain)
Partner
M. No. 082407
Place : Hisar
Date: May 30, 2018

SHALINI AGGARWAL
(Director)
DIN No: 00248578

(38)

UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED

Statement of Profit and Loss for the year ended March 31, 2018

(Amount in Rs.)

Particulars		Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
(I)	Revenue from operations (Gross) Less: Excise Duty Revenue from operations (Net)	19	119,099,009 - 119,099,009	134,924,993 - 134,924,993
(II)	Other income	20	253,297	298,952
(III)	Total Revenue (I+II)		119,352,306	135,223,945
(IV)	Expenses: Cost of materials consumed Changes in inventories of finished goods, work in progress and Stock-in-trade Employee benefits expense Finance costs Depreciation and amortisation expense Other expenses Manufacturing Expenses Office and Administration Expenses Selling and distribution expenses Miscellaneous Expenses	21 22 23 24 25 26 26 26 26 26 26	90,426,135 (580,605) 3,237,485 3,037,131 2,952,206 18,334,185 1,450,210 51,560 200,198	100,875,470 49,835 2,343,998 2,996,598 3,549,156 22,821,036 1,156,192 61,698 193,830
	Total Expenses		119,108,505	134,047,813
(V)	Profit before tax (III-IV)		243,801	1,176,132
(VI)	Tax expense: (1) Current tax (2) Deferred tax (3) Tax related to previous year		60,000 - 8,147	236,000 - -
(VII)	Profit for the year after tax (V-VI) Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (a) Re-measurement gains (losses) on defined benefit plans Income tax effect on above (b) Equity Instruments through Other Comprehensive Income (Gain on Fair valuation of Long Term Investment) Income tax effect on above		175,654 - 158,076 (40,705) - -	940,132 - (19,325) - -
	Total Other Comprehensive Income		117,371	(19,325)
	Total Comprehensive Income for the year		293,025	920,807
(VIII)	Earnings per equity share of face value of Rs. 10/- each. (1) Basic (2) Diluted		0.10 0.10	0.31 0.31

Significant accounting policies and notes to the financial statements

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In terms of our report of even date annexed hereto.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL
(Whole-time Director)
DIN No: 00248510

(M.P. Jain)

SHALINI AGGARWAL

UNITED TEXTILES LIMITED

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Notes forming part of Balance sheet

Note 1: Property, Plant And Equipment

Particulars	Land	Factory Shed and Building	Electric Installation	Furniture & Fixtures	Plant and Machinery	Office Equipment	Vehicles	Total
Gross Block								
As at April 1, 2016	77,234,300	663,857	747,835	1,614	24,238,005	36,957	1,235,987	104,158,555
Additions	-	-	-	-	-	-	-	-
Sales/ Adjustments	-	-	399,375	-	(399,375)	-	53,015	53,015
As at March 31, 2017	77,234,300	663,857	348,460	1,614	24,637,380	36,957	1,182,972	104,105,540
Additions	-	-	-	-	-	-	-	-
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2018	77,234,300	663,857	348,460	1,614	24,637,380	36,957	1,182,972	104,105,540
Accumulated Depreciation								
As at April 1, 2016	-	-	-	-	-	-	-	-
Charge for the year	-	52,172	124,120	-	2,985,328	5,079	382,458	3,549,156
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2017	-	52,172	124,120	-	2,985,328	5,079	382,458	3,549,156
Charge for the year	-	48,164	3,298	-	2,642,113	3,232	255,398	2,952,206
Sales/ Adjustments	-	-	-	-	-	-	-	-
As at March 31, 2018	-	100,336	127,418	-	5,627,442	8,311	637,856	6,501,363
Net Carrying Amount								
As at April 1, 2016	77,234,300	663,857	747,835	1,614	24,238,005	36,957	1,235,987	104,158,555
As at March 31, 2017	77,234,300	611,685	224,340	1,614	21,652,052	31,878	800,514	100,556,384
As at March 31, 2018	77,234,300	563,521	221,042	1,614	19,009,938	28,646	545,116	97,604,177

Note:

1) Property, plant and equipment is hypothecated for long term borrowings from banks. (Refer note no. 11)

2) The Company has elected to measure land under the items of Property, Plant and Equipment at their value on date of transition (refer note no 15)

UNITED TEXTILES LIMITED

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Notes forming part of Balance Sheet and Statement of Profit and Loss

[Amount in Rs.]

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
2	Other Non Current Financial Assets			
	Security Deposits			
	Unsecured, Considered good	1,403,121	1,403,121	1,403,121
	Total Other Non Current Financial Assets	1,403,121	1,403,121	1,403,121

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
3	Inventories			
	Raw Materials	16,128,142	24,594,397	17,426,214
	Work in Progress	840,000	720,000	520,000
	Finished Goods	4,025,300	2,806,400	3,090,000
	Store and Spares	2,726,835	2,879,456	2,558,422
	Scrap	344,125	1,902,420	1,068,655
	Total Inventories	24,064,402	32,102,674	24,663,290

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
4	Trade Receivables			
	Unsecured, Considered good	22,817,080	9,473,204	15,440,992
	Total Trade Receivables	22,817,080	9,473,204	15,440,992

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
5	Cash and Cash Equivalent			
	Cash and Cash Equivalents			
	Cash on Hand	132,259	378,903	772,488
	Balances with Banks			
	Current Accounts	119,438	99,881	70,904
	Total Cash and Cash Equivalent	251,697	470,784	843,312

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
6	Other Bank Balances			
B.	Other Bank Balance			
	Fixed Deposits with Banks of remaining maturity of more than three months but less than twelve months*	1,497,108	1,095,000	1,095,000
	Total Cash and Bank Balances	1,497,108	1,095,000	1,095,000

*Pledge with Government Authorities

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
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UNITED TEXTILES LIMITED

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
7	Other Current Financial Assets Interest Receivable	-	289,797	220,014
	Total Other Current Financial Assets	-	289,797	220,014

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
8	Current Tax Assets Advance Tax (Net of Provisions)	-	12,587	-
	Total Current Tax Assets	-	12,587	-

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
9	Other Current Assets Prepaid Expenses	29,417	109,654	103,227
	Advance Recoverable in Cash or in kind	-	-	-
	Unsecured, Considered good	289,205	1,104,607	681,172
	Advance to vendor	273,998	-	-
	Prepaid Bank Charges	108,865	-	-
	Total Other Current Assets	701,477	1,294,261	864,399

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
10	SHARE CAPITAL			
(a)	AUTHORISED CAPITAL			
	32,50,000 Equity Shares of Rs. 10/- Each	32,500,000	32,500,000	32,500,000
		32,500,000	32,500,000	32,500,000
(b)	ISSUED, SUBSCRIBED AND PAID UP			
	30,00,000 Equity Shares of Rs. 10/- Each	30,000,000	30,000,000	30,000,000
(c)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD			
	Shares outstanding at the beginning of the year	3,000,000	3,000,000	3,000,000
	Shares outstanding at the end of the year	3,000,000	3,000,000	3,000,000

(d)	Details of Shareholding more than 5% shares in the company			
S.No.	Name of shareholders	% of shareholding as on 31.03.2018	% of shareholding as on 31.03.2017	% of shareholding as on 04.01.2016
		NIL	NIL	NIL
(e)	Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:	NIL	NIL	NIL

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	RESERVES AND SURPLUS			
	Surplus in Statement of Profit and Loss			
	Profit/ (Loss) Brought Forward	73,596,001	72,682,511	71,638,123
	Add: Fair value of land under property, plant and equipment under transition to IND AS	-	-	-
	Add: Profit after tax transferred from Statement of Profit and Loss	175,654	940,132	1,066,935
	Less: Previous Year Taxation Adjustments	-	(7,317)	(22,547)
	Other Comprehensive Income			
	Items that will not be reclassified to Profit and Loss			
	Remeasurement of Defined Benefit Plans	117,371	(19,325)	-
	Total Reserves and Surplus	73,889,026	73,596,001	72,682,511

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
11	Non Current Borrowings			
	Secured Long Term Borrowings			
	Term Loan From Bank against Machinery*	886,352	3,975,371	7,860,020
	Total Non Current Borrowings	886,352	3,975,371	7,860,020

*Machinery loan is secured by way of hypothecation of Open/Ended Machinery of the company. The loan is repayable in equated monthly instalment of Rs. 1,40,000/- p.m.

* Another machinery loan is secured by way of hypothecation of Open/Ended Machinery of the company. The loan is repayable in equated monthly instalment of Rs. 2,22,597/- p.m.

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	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
12	Non Current Provisions			
	For Employee Benefits			
	Gratuity (unfunded)	445,378	481,879	250,905
	Total Non Current Provisions	445,378	481,879	250,905

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
13	Current Borrowings			
A	Secured Short Term Borrowings			
	Working Capital Demand Loan from Bank*	20,000,000	19,400,215	9,896,992
	Term Loan From bank against fixed deposit	3,730,024	3,356,961	3,027,339
B	Unsecured Short Term Borrowings			
	Loan from Directors	1,867,800	1,867,800	1,867,800
	Total Current Borrowings	25,597,824	24,624,976	14,792,131

*Working Capital Facility is secured by way of hypothecation of stock and book debts of the Company, namely finished good, raw material, work in progress, consumable stores and spares, book debts, bill receivables and by way of first charge in respect of other moveable and immovable properties of the Company. Working Capital Facility is repayable on demand any time during sanction tenure.

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
14	TRADE PAYABLES			
	Dues to Micro and Small enterprises			
	Dues to other than Micro and Small enterprises	10,742,856	7,321,108	16,333,634
	Total Trade Payables	10,742,856	7,321,108	16,333,634

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
15	OTHER CURRENT FINANCIAL LIABILITIES			
	Current Maturities of Long Term debts	3,203,093	3,600,000	3,137,295
	Other Payables			
	Other liabilities	3,512,312	2,387,841	2,808,529
	Total Other Current Financial Liabilities	6,715,405	5,987,841	5,945,824

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
16	CURRENT TAX LIABILITIES			
	Provision for Income Tax(net)	39,392	-	36,533
	Total Current Tax Liabilities	39,392	-	36,533

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
17	OTHER CURRENT LIABILITIES			
	Advance from Customers		661,636	730,841
	Statutory Dues Payable	12,861	37,609	47,921
	Total Other Current Liabilities	12,861	699,245	778,762

	DESCRIPTION	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
18	Current Provisions			
	a) For Employee Benefits			
	Gratuity (Unfunded)	9,969	11,391	8,364
	Total Current Provisions	9,969	11,391	8,364

UNITED TEXTILES LIMITED

DESCRIPTION		Year Ended March 31, 2018	Year Ended March 31, 2017
19	Gross Revenue from Operation		
	Sale of Product		
	Sales from Operations	118,326,220	133,542,427
	Other Operating Revenue		
	Hank Yarn Obligation Transfer	743,449	1,084,696
	Miscellaneous Receipt/Sales	29,340	297,870
	Total Gross Revenue from Operation	119,099,009	134,924,993
(1)	SALES		
	Manufactured Goods		
	Cotton Yarn	113,194,390	130,011,301
	Scrap	5,131,830	3,531,126
	Total Sales	118,326,220	133,542,427

DESCRIPTION		Year Ended March 31, 2018	Year Ended March 31, 2017
20	Other Income		
	Interest Income on Fixed Deposits/Security Deposit	170,988	151,215
	Profit on Sale of Fixed Assets	-	131,985
	Cash Discount Received	4,035	15,752
	Insurance Claim received	41,240	-
	Liabilities written back	37,034	-
	Total Other Income	253,297	298,952

DESCRIPTION		Year Ended March 31, 2018	Year Ended March 31, 2017
21	Cost of Material Consumed		
	Raw Material Consumed	90,426,135	100,875,470
	Total Cost of Material Consumed	90,426,135	100,875,470

DETAIL OF RAW MATERIAL CONSUMED			
	Waste Cotton	90,426,135	100,875,470
	Total Raw Material Consumed	90,426,135	100,875,470

DESCRIPTION		Year Ended March 31, 2018	Year Ended March 31, 2017
22	Changes in inventories of finished goods, work in progress and Stock-in-trade		
	Opening Stock		
	Finished Goods- Manufactured	2,006,400	3,090,000
	Scrap	1,902,420	1,068,655
	Work in Progress	720,000	520,000
	Total Opening Stock	4,628,820	4,678,655
	Closing Stock		
	Finished Goods- Manufactured	4,025,300	2,006,400
	Scrap	344,125	1,902,420
	Work in Progress	840,000	720,000
	Total Closing Stock	5,209,425	4,628,820
	((Increase)/Decrease in Stock	(580,605)	49,835

UNITED TEXTILES LIMITED

	DESCRIPTION	Year Ended March 31, 2018	Year Ended March 31, 2017
23	Employee Benefits Expenses		
	Salary and Wages	2,995,312	2,143,948
	Contribution to provident and other funds	223,373	217,615
	Staff Welfare Expenses	18,800	1,760
	Total Employee Benefits Expenses	3,237,485	2,363,323
	DESCRIPTION	Year Ended March 31, 2018	Year Ended March 31, 2017
24	Finance Cost		
	Interest Expenses		
	Term Loan	965,690	1,405,392
	Working Capital	1,994,013	1,468,422
	Other Interest	40	2,157
	Bank Charges	77,388	120,627
	Total Finance Cost	3,037,131	2,996,598
	DESCRIPTION	Year Ended March 31, 2018	Year Ended March 31, 2017
25	Depreciation and Amortisation		
	Depreciation on Fixed Assets	2,952,206	3,549,156
	Total Depreciation and Amortisation	2,952,206	3,549,156
	DESCRIPTION	Year Ended March 31, 2018	Year Ended March 31, 2017
26	Other Expenses		
A	Manufacturing Expenses		
	Power and Fuel	15,816,862	19,856,408
	Repairs to machinery		13,800
	Consumption of Stores and Spare parts	1,708,430	1,771,597
	Packing Material	888,893	1,179,231
	Total Manufacturing Expenses	18,334,185	22,821,036
B	Office and Administration Expenses		
	Insurance	121,225	113,201
	Legal and Professional	39,100	8,900
	Postage and Telephone	72,604	105,525
	Printing and Stationary	23,500	23,470
	Vehicle Upkeep and Maintenance	233,557	133,135
	Sales Tax paid against Assessment	60,789	
	Auditor's Remuneration		
	Audit Fees	45,000	51,750
	Tax Audit Fees	25,340	11,500
	For Certification	35,000	17,250
	Secretary Remuneration		39,500
	Fees and Subscription	153,484	69,845
	Computer Maintenance	84,000	84,000
	Annual Listing Fees	316,620	258,116
	Director's Remuneration	240,000	240,000
	Total Office and Administration Expenses	1,450,210	1,156,192
C	Selling and Distribution Expenses		
	Commission On Sales		4,798
	Advertisement and Publicity	51,560	56,900
	Total Selling and Distribution Expenses	51,560	61,698
D	Miscellaneous Expenses		
	Miscellaneous Expenses	200,198	193,830
	Total Miscellaneous Expenses	200,198	193,830
	Total Other Expenses (A+B+C+D)	20,036,153	24,232,756

UNITED TEXTILES LIMITED

Statement of Changes in Equity for the year ended 31st March, 2018

	Balance as at 1st April, 2016	Changes in equity share capital during the year 2016-17	Balance as at 31st March, 2017	Changes in equity share capital during the year 2017-18	Balance as at 31st March, 2018
A. Equity Share Capital	30,000,000	-	30,000,000	-	30,000,000

(Amount in Rs.)				
Particulars	B. Other Equity			
	Securities Premium Reserve	General Reserve	Retained Earnings	Items of Other Comprehensive Income
				Items that will not be reclassified to Profit and Loss
Total				
Remeasurement of Defined Benefit Plans				
Balance as at April 1, 2016	-	-	72,682,511	-
Profit for the year ended 31st March, 2017	-	-	932,815	-
Re-measurement gains (losses) on defined benefit plans	-	-	-	(19,325)
Balance as at March 31, 2017	-	-	73,615,326	(19,325)
Profit for the year ended 31st March, 2018	-	-	175,654	-
Re-measurement gains (losses) on defined benefit plans	-	-	-	117,371
Balance as at March 31, 2018	-	-	73,790,980	98,046
				73,889,026

See accompanying notes forming part of the statements
in form of our report attached

For and on behalf of Board of Directors.

As per our report attached
For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL
(Whole-time Director)
DIN No: 00248510

(M.P. Jain)

Partner

M. No. 082407

PLACE : Hisar

UNITED TEXTILES LIMITED

United Textiles Limited

Significant Accounting Policies and Notes of Financial Statement

Note no-27

1. Corporate and General Information

United Textiles Limited ("UTL") or ("the Company") is domiciled and incorporated in India. The Company is engaged in the business of manufacturing of cotton yarn.

2. Basis of preparation

The Company has adopted IND AS for the financial year beginning on April 1, 2017 with April 1, 2016 as the date of transition. These are the Company's first annual financial statements prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015 (As amended). The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of its opening IND AS Balance Sheet at April 1, 2016 throughout all periods presented, as if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101. The reconciliation of effects of the transition from Indian GAAP on the equity as of April 1, 2016 and March 31, 2017 and on the net profit and cash flows for the year ended March 31, 2017 is disclosed in Note no. 15 to these financial statements.

The significant accounting policies used in preparing the financial statements are set out in Note no. 3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 4 on critical accounting estimates, assumptions and judgements).

3.0 Significant Accounting Policies

3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities except borrowings carried at amortised cost,
- defined benefit plans – plan assets measured at fair value,
- Property, plant and equipment on transition to IND AS (refer note no 1 read with exception to Ind-AS note no. 15 to these financial statements)

3.2 Property, Plant and Equipment For transition to IND AS, the Company has adopted optional exception under IND AS 101 to measure land under the head "Property, Plant and Equipment" at fair value. (refer note 1 read with exception to Ind-AS note no. 15) Consequently the fair value has been

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assumed to be deemed cost of Land under "Property, Plant and Equipment" on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing Cost (if any) during the period of construction is added to the cost of eligible tangible assets. b) Depreciation is provided on Written down Value Method over the remaining useful life of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.

c) The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised:

- a) when the Company controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Company and
- c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.5 Cash and cash equivalents

Cash and cash equivalents includes Cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.6 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of

UNITED TEXTILES LIMITED

inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.7 Employee benefits

a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

3.8 Foreign currency reinstatement and translation

(a) Functional and presentation currency

The financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

(b) Transactions and balances

The Company does not have any foreign currency transactions and therefore, exchange risk including foreign currency sensitivity is not applicable.

3.9 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets or financial liabilities (Other than financial assets and financial liabilities at fair value through profit and loss account) are added to or deducted from fair value measured initial recognition of financial asset or financial liability.

Financial Assets and liabilities are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

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Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest amount outstanding.

Financial Assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liability at fair value through profit or loss are immediately recognised in profit or loss.

Financial Liabilities

Financial liabilities including interest bearing loans and borrowings and trade payables are subsequently measured at amortised cost using the effective interest rate method (EIR) except those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

3.10 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

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Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.12 Revenue recognition and other income

Sale of Goods

Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and outgoing sales tax and are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods. Revenue is inclusive of excise duty. Material returned/ rejected is accounted for in the year of return/ rejection.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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3.13 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.14 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.15 Leases

Operating lease

An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Payments/receipts under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

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3.16 Current /non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.17 Recent accounting pronouncements

Standards issued but not yet effective:

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts and related appendices.

A new five step process must be applied before revenue could be recognised:

1. Identify contracts with customers.
2. Identify the separate performance obligations.
3. Determine the transaction price of the contract

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4. Allocate the transaction price to each of the separate performance obligations, and
5. Recognise revenue as each performance obligation is satisfied.

The new standard is mandatory for financial years commencing on or after 1 April, 2018 and early application is not permitted. The standard permits either a full retrospective application or a modified retrospective approach for the adoption.

The Company primarily derives its revenue from Hotel operations and dealing with real estate properties. The Company envisage no material impact for adoption of this statement.

The company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 April 2018 and that comparatives will not be restated.

4. Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

(b) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

5. Financial risk management Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has short term current investments only. The Company's activities expose it to a variety of financial risks:

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk,

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interest rate risk and other risk which is equity price risk and commodity risk. The Company is not exposed to the aforesaid risk as the Company does not have any transactions in foreign currency and its borrowings accounted for on account of preference capital is at fixed rate of interest.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(a) Interest rate risk and sensitivity

The Company does not have any liability for borrowings at floating rate of interest. Hence, interest risk and sensitivity is not applicable.

Interest rate & currency of borrowings

The below table demonstrate the borrowing of fixed and floating rate of interest

(Amount in Rs.)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	29,687,269	-	29,687,269
Total as at March 31, 2018	29,687,269	-	29,687,269
INR	32,200,347	-	32,200,347
Total as at March 31, 2017	32,200,347	-	32,200,347
INR	25,789,446	-	25,789,446
Total as at March 31, 2016	25,789,446	-	25,789,446

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Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing of trade receivable is as below:

(Amount in Rs.)

Particulars	Neither due nor impaired	Past due			Total
		upto 6 months	6 to 12 months	Above 12 months	
As at March 31, 2018					
Trade receivable					
Unsecured	-	12,323,986	7,353,213	3,139,881	22,817,080
Gross Total	-	12,323,986	7,353,213	3,139,881	22,817,080
Provision for doubtful	-				-
Net Total	-	12,323,986	7,353,213	3,139,881	22,817,080
As at March 31, 2017					
Trade receivable					
Unsecured	-	6,308,323	-	3,164,881	9,473,204
Gross Total	-	6,308,323	-	3,164,881	9,473,204
Provision for doubtful	-	-	-	-	-
Net Total	-	6,308,323	-	3,164,881	9,473,204

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

UNITED TEXTILES LIMITED

(Amount in Rs.)

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2018			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	29,687,269	-	-	28,800,917	886,352	29,687,269
Trade payable	10,742,856	-	9,253,326	1,489,530	-	10,742,856
Other liabilities	3,512,312	-	-	3,512,312	-	3,512,312
Total	43,942,437	-	9,253,326	33,802,759	886,352	43,942,437

Particulars	Carrying Amount	On demand	Ageing as on 31st March 2017			Total
			< 6 months	6-12 months	> 1 years	
Interest bearing borrowings	32,200,347	-	-	28,224,976	3,975,371	32,200,347
Trade payable	7,321,108	-	7,321,108	-	-	7,321,108
Other liabilities	2,387,841	-	1,256,748	1,131,093	-	2,387,841
Total	41,909,296	-	8,577,856	29,356,069	3,975,371	41,909,296

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements.. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall , the company uses mix of capital infusion and borrowing from its holding company. However, the company envisage that such short fall is temporary and the company would generate sufficient cash flows as per approved projections.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the baaThe Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders, except where exemption is provided by lender.

Capital risk management

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

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The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2016-17 and 2015-16 is an under-lance sheet to the contractual maturity date.

(Amount in Rs.)

Particulars	As of March 31, 2018	As of March 31, 2017
Loans and borrowings	29,687,269	32,200,347
Less: cash and cash equivalents	251,697	470,784
Net debt	29,435,572	31,729,563
Equity	103,889,026	103,596,001
Total capital	133,324,598	135,325,564
Gearing ratio	22.08%	23.45%

6. Fair value of financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Amount in Rs.)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost						
Fixed deposits with banks	1,497,108	1,497,108	1,095,000	1,095,000	1,095,000	1,095,000
Cash and bank balances	251,697	251,697	470,784	470,784	843,312	843,312
Trade and other receivables	22,817,080	22,817,080	9,473,204	9,473,204	15,440,992	15,440,992
Other financial assets	1,403,121	1,403,121	1,692,918	1,692,918	1,623,135	1,623,135
	25,969,006	25,969,006	12,731,906	12,731,906	19,002,439	19,002,439
Financial liabilities designated at amortised cost						
Borrowings- fixed rate	29,687,269	29,687,269	32,200,347	32,200,347	25,789,446	25,789,446
Trade & other payables	10,742,856	10,742,856	7,321,108	7,321,108	16,333,634	16,333,634
Other financial liabilities	3,512,312	3,512,312	2,387,841	2,387,841	2,808,529	2,808,529
	43,942,437	43,942,437	41,909,296	41,909,296	44,931,609	44,931,609

Fair Value hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices/NAV for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

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Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

Assets / Liabilities for which fair value is disclosed

(Amount in Rs.)

Particulars	As at March 31, 2018		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		29,687,269	
Other financial liabilities		3,512,312	

Particulars	As at March 31, 2017		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		32,200,347	
Other financial liabilities		2,387,841	

Particulars	As at April 1, 2016		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		25,789,446	
Other financial liabilities		2,808,529	

During the year ended March 31, 2018 and March 31, 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 2 March 31, 2018 and March 31, 2017, respectively:

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a) Assets / Liabilities for which fair value is disclosed

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows

7. Segment information

Information about primary segment

Company operates in a Single Primary Segment (Business Segment) i.e. Cotton Yarn.

Information about Geographical Segment – Secondary

The Company's operations are located in India. The Management has not identified any geographical segment.

8. Income tax expense

Particulars	(Amount in Rs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	60,000	236,000
	60,000	236,000
Deferred tax liability/(Asset)		
- Relating to origination & reversal of temporary differences	-	-
- Relating to change in tax rate	-	-
Tax expense attributable to current year's profit	-	-
Adjustments in respect of Income Tax of previous year		
- Current Tax	8,147	-
- Deferred Tax Tax	8,147	-
MAT		
Mat Credit entitlement	-	-
Mat Credit utilisation	-	-
	-	-
Total Tax expense	68,147	236,000

Effective Tax Reconciliation

A reconciliation of the theoretical income tax expense / (benefit) applicable to the profit / (loss) before income tax at the statutory tax rate in India to the income tax expense / (benefit) at the Company's effective tax rate is as follows:

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Description	(Amount in Rs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Loss(Income) before taxes	243,802	1,176,132
Enacted tax rates for parent company	25.750%	33.063%
Computed tax Income (expense)	62,779	388,864
Increase/(reduction) in taxes on account of:		
Amount on which no deferred tax created and change in tax rate (Net of disallowance)	(2,779)	(152,864)
Previous year taxation	3,147	-
Income tax expense reported	68,147	236,000

9. Deferred income tax

There is not material deferred tax asset or liability which can be created on account of reasonable certainty.

10. Retirement benefit obligations

1. Expense recognised for Defined Contribution plan

Particulars	(Amount in Rs)	
	Year ended March 31, 2018	Year ended March 31, 2017
Company's contribution to provident fund	146,018	142,119
Company's contribution to ESI	77,355	75,496
Company's contribution to superannuation fund	-	-
Total	223,373	217,615

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2017 and March 31, 2016, being the respective measurement dates :

1. Movement in obligation

Particulars	(Amount in Rs.)	
	Gratuity (unfunded)	leave encashment (unfunded)
Present value of obligation - April 1, 2016	259,269	-
Current service cost	73,594	-
Interest cost	20,742	-
Benefits paid	-	-
Remeasurements - actuarial loss/ (gain)	139,665	-
Present value of obligation - March 31, 2017	493,270	-
Present value of obligation - April 1, 2017	493,270	-
Current service cost	83,848	-
Interest cost	36,305	-
Benefits paid	-	-
Remeasurements - actuarial loss/ (gain)	(158,076)	-
Present value of obligation - March 31, 2018	455,347	-

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1. Movement in Plan Assets – Gratuity

(Amount in Rs.)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fair value of plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Employer contributions	-	-
Benefits paid	-	-
Actuarial gain / (loss)	-	-
Fair value of plan assets at end of year	-	-
Present value of obligation	455,347	493,270
Net funded status of plan	(455,347)	(493,270)
Actual return on plan assets	-	-

The components of the gratuity & leave encashment cost are as follows:

1. Recognised in profit and loss

(Amount in Rs.)

Particulars	Gratuity	Leave encashment
Current Service cost	73,594	-
Interest cost	20,742	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
For the year ended March 31, 2017	94,336	-
Current Service cost	83,848	-
Interest cost	36,305	-
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	-
For the year ended March 31, 2018	120,153	-
Actual return on plan assets	-	-

5. Recognised in other comprehensive income

(Amount in Rs)

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	19,325
For the year ended March 31, 2017	19,325
Remeasurement - Actuarial loss/(gain)	(158,076)
For the year ended March 31, 2018	(158,076)

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1. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	As at March 31, 2018	As at March 31, 2017
Attrition rate	-	-
Discount Rate	7.80% PA	7.36% PA
Expected Rate of increase in salary	5.50% PA	5.50% PA
Expected Rate of Return on Plan Assets	-	-
Mortality rate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of employees (years)	33.28 years	36.04 years

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market. Same assumptions were considered for comparative period i.e. 2014-15 as considered in previous GAAP on transition to IND AS.

1. Sensitivity analysis:

For the year ended March 31, 2017

Particulars	change in Assumption	Effect on Gratuity obligation	(Amount in Rs.) Effect on leave encashment obligation
Discount rate	+1%	-86,566	-
	-1%	98,354	-
Salary Growth rate	+1%	99,708	-
	-1%	-88,386	-

For the year ended March 31, 2018

Particulars	change in Assumption	Effect on Gratuity obligation	(Amount in Rs.) Effect on leave encashment obligation
Discount rate	+1%	-79,444	-
	-1%	90,004	-
Salary Growth rate	+1%	91,644	-
	-1%	-81,432	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

1. History of experience adjustments is as follows:

Particulars	Gratuity	(Amount in Rs.) Leave encashment
For the year ended March 31, 2017		
Plan Liabilities - (loss)/gain	-86,879	-
Plan Assets - (loss)/gain	-	-
For the year ended March 31, 2018		
Plan Liabilities - (loss)/gain	120,765	-
Plan Assets - (loss)/gain	-	-

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Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

(Amount in Rs.)	
Particulars	Gratuity
0 to 1 year	9,969
1 to 2 year	6,491
2 to 3 year	6,554
3 to 4 year	7,114
4 to 5 year	7,628
5 to 6 year	7,703
6 year Onwards	409,888

9. Statement of Employee benefit provision

(Amount in Rs.)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity	455,347	493,270
Leave encashment	-	-
Other employee benefits	-	-
Total	455,347	493,270

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

10. Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2017 (Amount in Rs.)	
Particulars	Gratuity
Current provision	11,391
Non current provision	481,879
Total Provision	493,270

For the year ended March 31, 2018 (Amount in Rs.)	
Particulars	Gratuity
Current provision	9,969
Non current provision	445,378
Total Provision	455,347

11. Employee benefit expenses

(Amount in Rs.)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	2,995,312	2,143,948
Costs-defined contribution plan	223,373	198,290
Welfare expenses	18,800	1,760
Total	3,237,485	2,343,998

(Figures in no.)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Average no. of people employed	35	38

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OCI presentation of defined benefit plan

-Gratuity is in the nature of defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under OCI as Items that will not be reclassified to profit or loss and also the income tax effect on the same.

-Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

11. Other disclosures

a) Auditors Remuneration

Particulars	(Amount in `)	
	Year ended March 31, 2018	Year ended March 31, 2017
1. Statutory Auditors		
i. Audit Fee	45,000	51,750
ii. Tax Audit Fee	25,340	11,500
iii Certification Fees	35,000	17,250
Total	105,340	80,500

b) Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.

-The Company has not given any loan, investment and guarantee covered under section 186(4) of the Companies Act, 2013.

12. Contingent liabilities

The Company does not have any disputed outstanding payable or pending litigation as at 31st March, 2018, which could have an adverse impact on the results of the operation of the company.

13. Related party transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

Key Management Personnel

Arun Kumar Aggarwal (Whole Time Director)

Shalini Aggarwal (Director)

Man Mohan Aggarwal (Relative of KMP)

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Related Party Transactions:

(Amount in Rs.)

Description	Key Management Personnel	
	Current Year	Previous Year
Salary (Including Allowances)		
Arun Kumar Aggarwal	240,000	240,000
Man Mohan Aggarwal	240,000	240,000

Related Party Balances:

(Amount in Rs.)

Unsecured Loan		
Sushil Kumar Aggarwal	367,800	367,800
Arun Kumar Aggarwal	705,000	705,000
Shalini Aggarwal	795,000	795,000
Other Payables		
Arun Kumar Aggarwal	918,400	730,200

14. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:
(Number of shares)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Issued equity shares	3,000,000	3,000,000
Weighted average shares outstanding - Basic and Diluted - A	3,000,000	3,000,000

Net profit /(loss) available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in Rs.)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit and loss after tax - B	293,025	920,807
Basic Earnings per share (B/A) (Rs.)	0.10	0.31
Diluted Earnings per share (B/A) (Rs.)	0.10	0.31

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

15. Disclosures Required As Per Indian Accounting Standard (IND AS) 101- First Time Adoption of Indian Accounting Standard

Transition to IND AS

Basis of preparation

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For all period up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2018, are the Company's first annual IND AS financial statements and have been prepared in accordance with IND AS.

Accordingly, the Company has prepared financial statements which comply with IND AS applicable for periods beginning on or after April 1, 2016, as described in the accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as of April 1, 2016, the Company's date of transition to IND AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Balance Sheet as of April 1, 2016 and its previously published Indian GAAP financial statements for the year ended March 31, 2017.

Exemptions Applied

IND AS 101 First-time adoption of Indian Accounting Standards allows first time adopters certain exemptions from the retrospective application of certain IND AS, effective for April 1, 2016 opening balance sheet.

I. Exemptions availed

- a. The Company has elected to measure one class of item i.e. land under Property, Plant and Equipment (PPE) at the date of transition to IND AS at its fair value. The impact i.e. net increase on fair valuation of Land on transition from previous GAAP is Rupees 7,66,06,984/- and the deemed cost considered on transition for land is Rs. 10,41,58,555/-. For other class of items in property, plant and equipment, carrying value is considered as deemed cost. The company has not revalued fair value of any items of PPE subsequent to the year ended 31st March 2016.

2. The Company has decided to disclose prospectively from the date of transition the following as required by IND AS 19

- i. The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
- ii. The experience adjustments arising on;
 - a) The plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and
 - b) The plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

Under previous GAAP the Company was considering leave encashment as defined benefit plan as there was not difference in previous GAAP for accounting of experience adjustments and impact of change in actuarial assumption. On transition to IND AS, the Company has considered leave encashment as short term benefit and consequently experience adjustments and impact of change in actuarial assumption is accounted in P&L.

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1. Fair value of financial assets and liabilities
The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under IND AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to IND AS, the requirement of initial recognition at fair value is applied prospectively.
2. Re measurement of defined benefit plan i.e. gratuity is accounted for in other comprehensive income.

Impact of transition to IND AS

The following is a summary of the effects of the differences between IND AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial period for the periods previously reported under Indian GAAP following the date of transition to IND AS.

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Reconciliation of Balance sheet as at April 1, 2016

	(Amount in Rs.)		
	Previous GAAP	Adjustments	Ind AS
ASSETS			
(1) Non-current Assets			
(a) Property, plant and equipment	27,551,571	76,606,984	104,158,555
(b) Financial Assets			
(i) Others	1,403,121	-	1,403,121
	<u>28,954,692</u>	<u>76,606,984</u>	<u>105,561,676</u>
(2) Current Assets			
(a) Inventories	24,663,290	-	24,663,290
(b) Financial Assets			
(i) Trade receivables	15,440,992	-	15,440,992
(ii) Cash and Cash Equivalents	843,312	-	843,312
(iii) Bank balances other than (ii) above	1,095,000	-	1,095,000
(iv) Others	220,014	-	220,014
(c) Other current assets	864,399	-	864,399
	<u>43,127,008</u>	<u>-</u>	<u>43,127,008</u>
TOTAL ASSETS	<u>72,081,700</u>	<u>76,606,984</u>	<u>148,688,684</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	30,000,000	-	30,000,000
(b) Other Equity	(3,924,473)	76,606,984	72,682,511
	<u>26,075,527</u>	<u>76,606,984</u>	<u>102,682,511</u>
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	7,860,020	-	7,860,020
(b) Provisions	250,905	-	250,905
	<u>8,110,925</u>	<u>-</u>	<u>8,110,925</u>
2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14,792,131	-	14,792,131
(ii) Trade payables	16,333,634	-	16,333,634
(iii) Other Financial liabilities	5,945,824	-	5,945,824
(b) Other Current Liabilities	815,295	-	815,295
(c) Provisions	8,364	-	8,364
	<u>37,895,248</u>	<u>-</u>	<u>37,895,248</u>
TOTAL EQUITY AND LIABILITIES	<u>72,081,700</u>	<u>76,606,984</u>	<u>148,688,684</u>

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Reconciliation of other equity as at April 1, 2016

Particulars	(Amount in Rs)	
	Retained Earnings	Total impact on Other equity
As on April 1, 2016 (IGAAP) (A)	(3,924,473)	(3,924,473)
Adjustments	-	-
Fair value of land under property, plant and equipment under transition to IND AS	76,606,984	76,606,984
Total IND AS adjustments (B)	76,606,984	76,606,984
As on April 1, 2016 (Ind AS) (A) + (B)	72,682,511	72,682,511

Principal differences between IND AS and Indian GAAP

Measurement and recognition difference for year ended March 31, 2017

1. Asset carried at Deemed cost in IND AS

The Company has elected to measure one class of item i.e. land under Property, Plant and Equipment (PPE) at the date of transition to IND AS at its fair value. The impact i.e. net increase on fair valuation of Land on transition from previous GAAP is Rupees 7,66,06,984/- and the deemed cost considered on transition for land is Rs. 10,41,58,555/-. For other class of items in property, plant and equipment, carrying value is considered as deemed cost. The company has not revalued fair value of any items of PPE subsequent to the year ended 31st March 2016.

2. Financial instruments

i. Fair valuation of financial assets and liabilities

Under Indian GAAP, receivables and payables were measured at transaction cost less allowances for impairment, if any. Under IND AS, these financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any. The resulting finance charge or income is included in finance expense or finance income in the Statement of Profit and Loss for financial liabilities and financial assets respectively.

3. The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.

4. Statement of Cash Flows

The impact of transition from Indian GAAP to IND AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under IND AS in Balance Sheet, Statement of Profit & Loss and difference in the definition of cash and cash equivalents and these two GAAP's.

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5. The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income and corresponding tax impact on the same.

Subsequent reconciliations post transition on 31st March 2017

Reconciliation of other equity

(Amount in Rs)		
Particulars	Retained Earnings	Total impact on Other equity
As at March 31, 2017 (IGAAP) (A)	(3,010,983)	(3,010,983)
Adjustments:		
Fair value of land under property, plant and equipment under transition to IND AS	76,606,984	76,606,984
Add: Difference in profit or loss for 2016-17	-	-
Total IND AS adjustments (B)	76,606,984	76,606,984
As at March 31, 2017 (Ind AS) (A) + (B)	73,596,001	73,596,001

Reconciliation of Balance sheet as at March 31, 2017

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		(Amount in Rs.)	
ASSETS	Previous GAAP	Adjustments	Ind AS
(1) Non-current Assets			
(a) Property, plant and equipment	23,949,400	76,606,984	100,556,384
(b) Capital work in progress	-	-	-
(b) Other intangible assets	-	-	-
(c) Financial Assets	-	-	-
(i) Investments	-	-	-
(ii) Loans	-	-	-
(iii) Others	-	-	-
(d) Deferred tax assets (Net)	1,403,121	-	1,403,121
(e) Other non current assets	-	-	-
	25,352,521	76,606,984	101,959,505
(2) Current Assets			
(a) Inventories	32,102,674	-	32,102,674
(b) Financial Assets	-	-	-
(i) Trade receivables	9,473,204	-	9,473,204
(ii) Cash and Cash Equivalents	470,784	-	470,784
(iii) Bank balances other than (iii) above	1,095,000	-	1,095,000
(iv) Loans	-	-	-
(v) Others	-	-	-
(d) Current tax assets (Net)	289,797	-	289,797
(e) Other current assets	12,587	-	12,587
	1,294,261	-	1,294,261
	44,738,307	-	44,738,307
TOTAL ASSETS	70,090,828	76,606,984	146,697,812
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	30,000,000	-	30,000,000
(b) Other Equity	(3,010,983)	76,606,984	73,596,001
	26,989,017	76,606,984	103,596,001
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
- Borrowings	3,975,371	-	3,975,371
(b) Provisions	481,879	-	481,879
(b) Deferred Tax Liabilities (Net)	-	-	-
	4,457,250	-	4,457,250
2) Current Liabilities			
(a) Financial Liabilities			
- Borrowings	24,624,976	-	24,624,976
- Trade payables	7,321,108	-	7,321,108
- Other Financial liabilities	5,987,841	-	5,987,841
(b) Other Current Liabilities	699,245	-	699,245
(c) Provisions	11,391	-	11,391
	38,644,561	-	38,644,561
TOTAL EQUITY AND LIABILITIES	70,090,828	76,606,984	146,697,812

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Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rs.)

	Previous GAAP	Adjustments	Ind AS
(I) Revenue from operations	134,924,993	-	134,924,993
(II) Other income	298,952	-	298,952
(III) Total Revenue (I+II)	135,223,945	-	135,223,945
(IV) Expenses:			
Cost of materials consumed	100,875,470	-	100,875,470
Purchases of Stock-in-trade	-	-	-
Changes in inventory of finished goods, work in progress and Stock-in-trade	49,835	-	49,835
Employee benefits expenses	2,363,323	(19,325)	2,343,998
Finance costs	2,996,598	-	2,996,598
Depreciation and amortization expenses	3,549,156	-	3,549,156
Other expenses	-	-	-
Manufacturing expenses	22,821,036	-	22,821,036
Office & Administration expenses	1,156,192	-	1,156,192
Selling and distribution expenses	61,698	-	61,698
Miscellaneous expenses	193,830	-	193,830
Total expenses	134,067,138	(19,325)	134,047,813
(V) Profit before tax	1,156,807	19,325	1,176,132
Less	-	-	-
(VI) Tax expense:	236,000	-	236,000
(1) Current tax	236,000	-	236,000
(2) Deferred tax	-	-	-
(3) Previous Year Taxation Adjustment	-	-	-
(4) MAT Credit Entitlement	-	-	-
(VII) Profit for the year after tax (V-VI)	920,807	19,325	940,132
(VIII) Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans	-	(19,325)	(19,325)
Income tax effect	-	-	-
Total Other comprehensive income	-	(19,325)	(19,325)
(IX) Total Comprehensive Income for the year (VII+VIII)	920,807	-	920,807
(X) Earning per equity share:			
(1) Basic	0.31		0.31
(2) Diluted	0.31		0.31

UNITED TEXTILES LIMITED

United Textiles Limited

Significant Accounting Policies and Notes of Financial Statement

Note no-2716. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

17.Notes 1 to 27 are annexed and form integral part of Financial Statements.

For P.C. Goyal & Co.,

Chartered Accountants

Firm Registration No. 002368N

(M.P. Jain)

Partner

M. No. 082407

Arun Kumar Aggarwal

(Whole-time Director)

DIN- 00248510

Shalini Aggarwal

(Director)

DIN No: 00248578

Dated: 30th May, 2018

Place: Hisar

UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED

Cash Flow Statement for the year ended March 31, 2018.

(Amount in Rs.)

DESCRIPTION	Year Ended March 31, 2018	Year Ended March 31, 2017
A. Cash Inflow/ (Outflow) From Operating Activities		
Profit Before Tax	243,801	1,176,132
Add/(Less)		
Depreciation	2,952,206	3,549,156
Interest Income	(170,988)	(151,215)
Interest Expense	2,959,703	2,873,814
Profit on sale of fixed assets	-	(131,985)
Operating Profit before Working Capital changes	5,984,722	7,315,902
Adjustment for:		
Inventories	8,038,272	(7,439,384)
Trade Receivable	(13,343,876)	5,967,788
Loan and Advances and other assets	190,676	(429,861)
Trade and other Payable	3,542,376	(8,842,667)
Cash Generated From Operations Before Tax	4,412,170	(3,428,222)
(Tax Paid)/ Tax Refund	(16,168)	(285,120)
Net Cash Inflow/ (Outflow) from Operating Activities	4,396,002	(3,713,342)
B. Cash Inflow/ (Outflow) from Investing Activities		
Acquisition of Fixed Assets/Capital Work-in-Progress	-	-
Sale of Fixed Assets	-	185,000
Interest Received	460,785	81,432
Net Cash Inflow/ (Outflow) from Investing Activities	460,785	266,432
C. Cash Inflow/ (Outflow) from Financing Activities		
Proceeds / (Repayment) from / of Long term Borrowings (Net)	(3,089,019)	(3,884,649)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	972,848	9,832,845
Interest Paid	(2,959,703)	(2,873,814)
Net Cash Inflow/ (Outflow) from Financing Activities	(5,075,874)	3,074,382
Net Increase(Decrease) in Cash and Cash Equivalent (A+B+C)	(219,087)	(372,528)
Add:		
Cash and Cash equivalent at the beginning of the year	470,784	843,312
Cash and Cash equivalent at the end of year	251,697	470,784

Note.

- Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)
- Cash and cash equivalents consist of cash in hand and balances with banks.
- Borrowings from banks is net of repayments.
- Figures in brackets represent outflow of cash.

For P.C. Goyal & Co.,
Chartered Accountants
Firm Registration No. 002368N

ARUN KUMAR AGGARWAL
(Whole-time Director)
DIN No: 00248510

(M.P. Jain)
Partner
M. No. 082407
PLACE : Hisar
Date: May 30, 2018

SHALINI AGGARWAL
(Director)
DIN No: 00248578

UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED

Regd. Office & Works: 7th K.M. Stone, Barwala Road, Hisar – 125 001 (Haryana)

PH No. 01662-276182, Fax No. 01662-276182

CIN – L17115HR1993PLC032092, E-mail Id: unitedtextilesLtd@gmail.com

Website : <http://www.unitedtextileslimited.com>

PROXY FORM

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

Name of the Member(s):		Folio No.:	
		DP ID :	
Registered Address :		Client ID :	
		e-mail ID :	

I/We, being the member(s) holding Shares of UNITED TEXTILES LIMITED hereby appoint :

1. Mr./Ms. Address
E-mail id Signature
or failing him
2. Mr./Ms. Address
E-mail id Signature
or failing him
3. Mr./Ms. Address
E-mail id Signature
or failing him

as my/our proxy to attend and vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company to be held on Saturday, the 29th day of September, 2018 at 11.00 A.M. at its Regd. Office at 7th K.M. Stone, Barwala Road, Hisar – 125 001 and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Description of Resolutions
1	ORDINARY BUSINESS Adoption of Financial Statements, Reports of the Board of Directors and Auditors.
2	Re-appointment of Vinod Kumar Agarwal, who retires by rotation
3	Ratification of the M/s. P.C. GOYAL & CO., Chartered Accountants (Firm Registration No. 002368N) as Auditors

Signed this Day of, 2018

AFFIX ONE
RUPEE
REVENUE
STAMP

Signature of Shareholder

Signature of Proxy holder(s)

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

UNITED TEXTILES LIMITED

UNITED TEXTILES LIMITED

Regd. Office & Works: 7th K.M. Stone, Barwala Road, Hisar – 125 001 (Haryana)

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CIN – L17115HR1993PLC032092 E-mail Id: unitedtextilesLtd@gmail.com

Website : <http://www.unitedtextileslimited.com>

ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING On Saturday, the 29th day of September, 2018 at 11:00 a.m. at 7th K.M Stone, Barwala Road, Hisar – 125001 (Haryana)

NAME	
Address	
Registered Folio No./Dp Id & Client Id	
Shareholder/Proxy/Authorised Representative	
MOBILE NO.	
E-MAIL ID	

I/We hereby record my/our presence at 25th Annual General Meeting (AGM) of the Company being held on Saturday, the 29th day of September, 2018 at 11:00 A.M. at 7th K.M Stone, Barwala Road, Hisar – 125001 (Haryana)

Signature of Shareholder/Proxy/Authorised Representative

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

ELECTRONIC VOTING PARTICULARS

EVS N (E-Voting Sequence Number)	USER ID	SEQUENCE NO.

Notes: Please read the instructions printed under the Note no. 12-13 to the notice dated August 13, 2018 of the 25th Annual General Meeting.

BOOK-POST

if undelivered please return to:

UNITED TEXTILES LIMITED

REGD. OFFICE: 7th K.M. Stone Barwala Road
HISAR:125001 (Haryana) INDIA