

**Independent Auditors' Report**

To,
The Members,
M/S AARIFI TANNERS LIMITED,
187/170, JAJMAU ROAD,
KANPUR.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s AARIFI TANNERS LIMITED, which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, 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 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 and financial performance 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, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditor's 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 there under.

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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

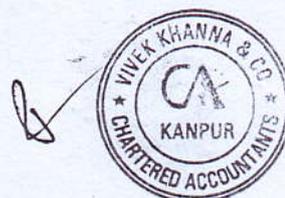
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

Report on other Legal and Regulatory Requirements

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

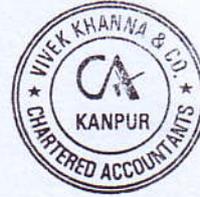
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.



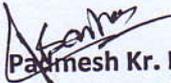


- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i. The Company has no pending litigations and therefore no impact on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, as it did not have any material foreseeable losses.
 - iii. The company was not obliged to transfer any amount to the Investor Education and Protection Fund by the Company.

Place: Kanpur
Date: 29.05.2018



For Vivek Khanna & CO.
Chartered Accountants
(FRN NO. - 006521C)


Pankaj Kr. Bajpai
Partner
Membership No. - 403609

M/S AARIFI TANNERS LIMITED
187/170, JAJMAU ROAD, JAJMAU, KANPUR
BALANCE SHEET AS AT 31st MARCH, 2018

PARTICULARS	NOTE No.	AS AT 31.03.2018 (Rs.)	AS AT 31.03.2017 (Rs.)
I. <u>EQUITIES & LIABILITIES</u>			
1- <u>SHAREHOLDERS' FUNDS</u>			
(a) Share Capital	"1"	146,07,000.00	146,07,000.00
(b) Reserves and surplus	"2"	(17,87,737.97)	(18,46,716.97)
2- <u>NON-CURRENT LIABILITIES</u>			
Deferred Tax Liability		1,08,710.00	1,08,710.00
3- <u>CURRENT LIABILITIES</u>			
(a) Short term provisions	"3"	3,49,997.00	66,875.00
(b) Trade Payables	"4"	1,03,952.00	1,07,802.00
Other current liabilities	"5"	5,84,863.00	5,84,863.00
Total :		139,66,784.03	136,28,533.03
II. <u>ASSETS</u>			
1- <u>Non-current assets</u>			
(a) <u>Fixed Assets</u>			
Tangible assets			
Gross Block		83,69,498.53	83,69,498.53
Less: Depreciation		-	-
Net Block		83,69,498.53	83,69,498.53
(b) <u>Non- Current Investments</u>			
(a) Share Investments		1,72,800.00	1,72,800.00
2- <u>Current assets</u>			
(a) Cash & cash equivalents	"7"	1,60,534.50	1,21,833.50
(b) Short term loans & advances	"8"	52,01,841.00	49,02,291.00
(c) Other Current Assets	"9"	62,110.00	62,110.00
TOTAL		139,66,784.03	136,28,533.03

Significant Accounting Policies
Notes on Financial Statements

1 to 11

AUDITORS' REPORT

AS PER OUR REPORT OF EVEN DATE ANNEXED

FOR VIVEK KHANNA & COMPANY,
CHARTERED ACCOUNTANTS,
FRN. NO.: 06521C

(PADMESH KR. BAJPAI)
M.NO. 403609



FOR M/S AARIFI TANNERS LIMITED

DIRECTOR

DIRECTOR

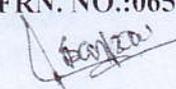
PLACE : KANPUR
DATE : 29/05/2018

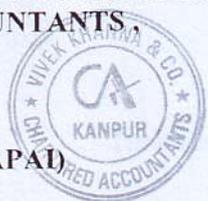
M/S AARIFI TANNERS LIMITED
187/170, JAJMAU ROAD, JAJMAU, KANPUR
PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31st MARCH, 2018

PARTICULARS	NOTE No.	AS AT 31.03.2018 (Rs.)	AS AT 31.03.2017 (Rs.)
<u>INCOME</u>			
Revenue from Operations		-	-
Other Income	"10"	3,60,000.00	3,60,000.00
Total Revenue		3,60,000.00	3,60,000.00
<u>EXPENDITURE</u>			
Employee Benefit Expense		1,15,000.00	-
Depreciation and amortisation expense		-	-
Other Expenses	"11"	1,86,021.00	3,07,367.50
Total Expenses		3,01,021.00	3,07,367.50
Profit Before Tax		58,979.00	52,632.50
Less : Tax Expenses			
a) Current Tax		-	-
b) Deferred Tax		-	-
Add : MAT Credit			
Profit After Tax		58,979.00	52,632.50
Add : Tax Refund			
Balance b/d		(18,46,716.97)	(18,99,349.47)
Balance Carried to Balance Sheet		(17,87,737.97)	(18,46,716.97)

Significant Accounting Policies
Notes on Financial Statements 1 to 11

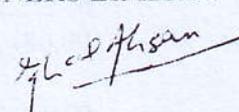
AUDITORS' REPORT
AS PER OUR REPORT OF EVEN DATE ANNEXED

FOR VIVEK KHANNA & COMPANY,
CHARTERED ACCOUNTANTS,
FRN. NO.:06521C

(PADMESH KR. BAJAPAD)
M.NO. 403609



FOR AARIFI TANNERS LIMITED

DIRECTOR

FOR AARIFI TANNERS LIMITED

DIRECTOR

PLACE : KANPUR
DATE : 29/05/2018

M/S AARIFI TANNERS LIMITED
187/170, JAJMAU ROAD, JAJMAU, KANPUR

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS AS ON 31-03-2018

PARTICULARS	AS AT 31.03.2018 (Rs.)	AS AT 31.03.2017 (Rs.)
NOTE '1'		
SHARE CAPITAL		
Authorised 2000000 Equity Shares of Rs. 10/- each	200,00,000.00	200,00,000.00
Issued, Subscribed & Paid Up 1460700 Equity Shares of Rs. 10/- each full paid - up	146,07,000.00	146,07,000.00
Total Rs.	146,07,000.00	146,07,000.00

The details of Shareholders holding more than 5% shares

Name of the Shareholder	No. of Shares & % held	No. of Shares & % held
SUPER TANNERY LTD.	1205077: 82.5%	1205077: 82.5%

NOTE '2'

RESERVE & SURPLUS

Balance in P/L A/c	(17,87,737.97)	(18,46,716.97)
Total Rs.	(17,87,737.97)	(18,46,716.97)

NOTE '3'

SHORT TERM PROVISIONS :-

Audit Fee Payable	8,850.00	-
Liabilities for Expenses	3,13,037.00	38,765.00
Service Tax Payable	-	-
TDS Payable	28,110.00	28,110.00
Total Rs.	3,49,997.00	66,875.00

NOTE '4'

TRADE PAYABLES

Store Suppliers	32,222.00	32,222.00
Industrial Infrastructure Services	62,480.00	66,330.00
Super Tannery	-	-
Badloo Khan	9,250.00	9,250.00
Total Rs.	1,03,952.00	1,07,802.00

NOTE '5'

OTHER CURRENT LIABILITIES

Advance from customer	1,09,863.00	1,09,863.00
Rent in Advance	4,75,000.00	4,75,000.00
Total Rs.	5,84,863.00	5,84,863.00

NOTE '7'

CASH & CASH EQUIVALENTS :-

S.B.I. Overseas Branch C/A	1,60,534.50	1,21,833.50
Total Rs.	1,60,534.50	1,21,833.50

NOTE '8'

SHORT TERM LOANS & ADVANCES

T.D.S Receivable	1,19,841.00	1,50,291.00
Mohd. Qasim	1,00,000.00	1,00,000.00
Amin Welfare Trust (SIS)	44,90,000.00	44,90,000.00



M/S AARIFI TANNERS LIMITED
187/170, JAJMAU ROAD, JAJMAU, KANPUR
BALANCE SHEET AS AT 31st MARCH, 2018

NOTE '6'

FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2018

Name of Assets	Rate of Dep. %	AS AT 1.04.2017	GROSS BLOCK		Total	DEPRECIATION			NET BLOCK	
			ADDITION	SALE		As on 1.04.2017	For The Year	Total	AS ON 31.03.2018	AS ON 31.03.2017
Land		12,94,443.00	-	-	12,94,443.00	-	-	-	12,94,443.00	12,94,443.00
Factory Building	10.00%	69,16,005.94	-	-	69,16,005.94	-	-	-	69,16,005.94	69,16,005.94
Furniture & Fixture	18.10%	5,459.23	-	-	5,459.23	-	-	-	5,459.23	5,459.23
Plant & Machinery	13.91%	37,446.97	-	-	37,446.97	-	-	-	37,446.97	37,446.97
Generator	13.91%	9,700.06	-	-	9,700.06	-	-	-	9,700.06	9,700.06
Scooter	25.89%	8,410.07	-	-	8,410.07	-	-	-	8,410.07	8,410.07
Electric Installation	13.91%	41,388.50	-	-	41,388.50	-	-	-	41,388.50	41,388.50
Telephone & EPABX	13.91%	1,461.07	-	-	1,461.07	-	-	-	1,461.07	1,461.07
Air Conditioner	13.91%	2,180.49	-	-	2,180.49	-	-	-	2,180.49	2,180.49
Refrigerator	13.91%	739.16	-	-	739.16	-	-	-	739.16	739.16
Computer	40.00%	20.53	-	-	20.53	-	-	-	20.53	20.53
Cycle	20.00%	90.14	-	-	90.14	-	-	-	90.14	90.14
Weight Bridge Scale	13.91%	1,128.24	-	-	1,128.24	-	-	-	1,128.24	1,128.24
Fire Fighting Equipment	13.91%	51,025.13	-	-	51,025.13	-	-	-	51,025.13	51,025.13
Current Year Total		83,69,498.53	-	-	83,69,498.53	-	-	-	83,69,498.53	83,69,498.53
Previous Year Total		83,69,498.53	-	-	83,69,498.53	-	-	-	83,69,498.53	83,69,498.53



Fashion shoe division

	4,92,000.00	1,62,000.00
Total Rs.	52,01,841.00	49,02,291.00

NOTE '9'

OTHER CURRENT ASSETS

Security Deposit	34,000.00	34,000.00
Sundry debtors (security)	28,110.00	28,110.00
Total Rs.	62,110.00	62,110.00

NOTE '10'

OTHER INCOME

Rent Received	3,60,000.00	3,60,000.00
Provision excess made last year	-	-
Total Rs.	3,60,000.00	3,60,000.00

NOTE '11'

OTHER EXPENSES

Rates , taxes & Fees	-	23,618.00
Bank interest & commission	649.00	632.50
Professional charges	-	11,200.00
Service Tax on security	-	33,048.00
Repair & Maintainence	1,76,126.00	-
Expenses relating to previous year	396.00	-
CETP Eexpenses	-	9,240.00
Security expenses	-	2,21,202.00
Payment to auditor as:		
Statutory Audit Fee	8,850.00	8,427.00
Total Rs.	1,86,021.00	3,07,367.50



AARIFI TANNERS LIMITED
JAJMAU KANPUR
NOTE – 1

Company Profile

Company Name	:	AARIFI TANNERS LIMITED
Company Identity no. :		U19112UP1996PLC019255
Date of Incorporation	:	1st, Jan, 1996
Place of Business		187/170 JAJMAU ROAD KANPUR
Nature of Business Activity	:	MANUFACRING OF LEATHER
Authorized Capital	:	Rs.2,00,00,000.00
Paid up Capital	:	Rs.1,46,07,000.00

AARIFI TANNERS LIMITED
JAJMAU KANPUR
NOTE – 2

Notes on accounts forming part of Balance Sheet as at 31st March, 2018

I STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting

i) The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

ii) During the year ended 31st March, 2018, the Schedule-III notified under the Companies Act, 2013 has become applicable to the company for preparation and presentation of its financial statements. The adoption of Schedule-III does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements.

2. Revenue Recognition

The company follows the mercantile system of accounting and accordingly expenses considered payable and receivable respectively will be accounted for on accrual basis.

3. Employees Benefit

The provisions of payment of Gratuity Act, 1972 are not applicable to the company. Hence, no provision for the same has been made.

4. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

5. Fixed Assets

Since the Building is given on rent and the Company is not in operation, hence depreciation has not been charged by the Company as per Companies Act and Income tax Act.



II NOTES ON ACCOUNTS

- a) The company has been incorporated on 01.01.1996 by the Registrar of Companies, Uttar Pradesh. Balance Sheet has been made for the period from 01.04.2017 to 31.03.2018.
- b) Balances are subject of confirmation and reconciliation, if any.
- c) **Related Party Transactions:-** During the year, the company has not made any payments to persons who fall within the purview of *AS- 18 "Related Party Transactions"*.

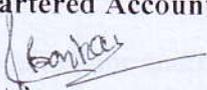
d) Payment to Auditors:

	31.03.2018	31.03.2017
As Auditor	8750.00	8625.00
As Advisor	NIL	NIL
Taxation Matters	NIL	NIL
Company Law Matters	NIL	NIL
Management Services	NIL	NIL
In any other matter	NIL	NIL
	8750.00	8625.00

- e) In the opinion of the Board, current assets, loans and advances have a value, on realization in the ordinary course of the business, at least equal to the amount at which they are stated to be in the Balance Sheet.
- f) **Contingent Liability:-** No contingent liability exists as on the date of Balance Sheet.
- g) Notes 1 to 5 are the forming part of the Balance Sheet and have been duly authenticated.
- h) Expenses of Rs.396.00 relating to previous year has been debited to profit & Loss Account this year.

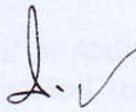
As per our report of even date attached to the Balance Sheet

For Vivek Khanna & Co
Firm Reg. No. -06521C
Chartered Accountants


(CA Padmesh Bajpai)
Partner
M. No. 403609



For. AARIFI TANNERS LIMITED



Director



Director

Place: KANPUR
Dated: 29.05.2018

AARIFI TANNERS LIMITED

JAJMAU, KANPUR

NOTES ON FINANCIAL STATEMENTS AS AT 31st MARCH 2018

U19112UP1996PLC019255

	CURRENT YEAR	PREVIOUS YEAR
(a) Contingent liability not provided for	Nil	Nil
(b) Auditor's Remuneration		
Audit Fee	8,850.00	8,427.00
Professional Expenses	Nil	Nil
(c) Power Consumed	Nil	Nil
(d) C I F Value of Imports	Nil	Nil
(e) Expenditure in foreign currency	Nil	Nil
(f) Earning in foreign currency	Nil	Nil
(g) Segment Information	Nil	Nil
1. Primary Segment Leather goods		
2. Secondary Segment	NIL	NIL
(j) Related Party Disclosures		
1. Nature of the related Parties and description of relationship.		
A Key Management personel and their relatives:		
Mr. Iftikharul Amin		
Mr. Iqbal Ahsan		
Mrs. Sophia Iqbal		
Mr. Ismat Iqbal		
B Associate Companies / Firms	NIL	NIL
2. Summary of Transactions		
Key Management personel and their relatives:		
-On account of sales	Nil	Nil
-On account of remuneration	Nil	Nil
-On account of Expenses	Nil	Nil
Associate Companies / Firms		
-Intercorporate Loan Accepted	Nil	Nil
-Intercorporate Loan Repaid	Nil	Nil
-Purchase of Fixed Assets	Nil	Nil
-On account of sales	Nil	Nil
-TDS	Nil	Nil
(k) Earning per Share	N.A.	N.A.
(l) In the opinion of the Board of Directors, the current assets, Loans and advances have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated in the balance Sheet.		
(m) There are no dues to Micro, Small and medium Enterprise as at the Balance Sheet date.		
(o) Current year accounts have been prepared in accordance with the revised Schedule VI and previous Year have been regrouped/reclassified accordingly.		

As per our separate Audit Report of even date.

For Vivek Khanna & Co
Chartered Accountants

FRN 006521C

(CA PADMESH BAJPAI)

Partner

M No. 403609

Place : Kanpur
Date : 29-05-2018



For and on behalf of the Board
FOR AARIFI TANNERS LIMITED

[Signature]

Director

[Signature]

Director