

FUTURA TEXTILES INC.
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in USD)

PARTICULARS	NOTES	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	717	1,140
Total Non-current Assets		717	1,140
Current Assets			
Inventories	3	852,766	1,089,682
Financial Assets	4		
(i) Trade Receivables		312,266	556,963
(ii) Cash and Cash Equivalents		70,216	102,733
Other Current Assets	5	8,376	94,148
Total Current Assets		1,243,624	1,843,526
Total Assets		1,244,341	1,844,666
EQUITY AND LIABILITIES			
Equity			
Share Capital	6	660,000	660,000
Other Equity	7	(759,552)	(686,047)
Total Equity		(99,552)	(26,047)
LIABILITIES			
Non-Current Liabilities			
(i) Borrowings	8	550,000	550,000
Total Non-current Liabilities		550,000	550,000
Current Liabilities			
Financial Liabilities	9		
(i) Trade Payables		763,643	1,320,216
(ii) Other Financial Liabilities		30,250	497
Total Current Liabilities		793,893	1,320,713
Total Equity and Liabilities		1,244,341	1,844,666

The above Balance Sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date

For SANKALP & ASSOCIATES
Chartered Accountants
Firm Registration Number: 026578N



HEMANT KOUSHIK
Partner
Membership Number: 412112

Place: Jaitpura (Jaipur)
Date: June 25, 2020

For and on behalf of the Board



ARUN KUMAR BAGARIA
Director

Place: Jaitpura (Jaipur)
Date: June 25, 2020

FUTURA TEXTILES INC.
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in USD)

PARTICULARS	NOTES	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from Operations	10	1,839,008	2,057,777
Total Income		1,839,008	2,057,777
Expenses			
Purchase of stock in trade	11	1,162,654	1,112,607
Change in Inventories of Stock-in-Trade	12	236,917	271,747
Employee Benefit Expenses	13	107,341	213,833
Depreciation & Amortization Expenses	14	423	197
Other Expenses	15	367,758	463,039
Finance Costs	16	37,420	7,302
Total Expenses		1,912,513	2,068,725
Profit/(Loss) Before Tax		(73,505)	(10,948)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		-	-
Profit/(Loss) for the year		(73,505)	(10,948)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		(73,505)	(10,948)
Basic & Diluted earnings per share	17		
Earning/(Loss) per Common Stock of face value of USD 1/- each			
Basic		(0.11)	(0.05)
Diluted		(0.11)	(0.05)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date

For SANKALP & ASSOCIATES

Chartered Accountants

Firm Registration Number: 026578N



HEMANT KOUSHIK

Partner

Membership Number: 412112

Place: Jaitpura (Jaipur)

Date: June 25, 2020

For and on behalf of the Board



ARUN KUMAR BAGARIA

Director

Place: Jaitpura (Jaipur)

Date: June 25, 2020

FUTURA TEXTILES INC.
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in USD)

	Share Capital	Other Equity	Total Equity
		Retained earnings	
Balance as at April 1, 2018	238,637	(675,099)	(436,462)
Profit/(Loss) for the year	-	(10,948)	(10,948)
Other comprehensive income	-	-	-
Share issued during the year	450,000	-	450,000
Share Buy Back during the year	(28,637)	-	(28,637)
Balance as at March 31, 2019	660,000	(686,047)	(26,047)
Profit/(Loss) for the year	-	(73,505)	(73,505)
Other comprehensive income	-	-	-
Balance as at March 31, 2020	660,000	(759,552)	(99,552)

The above Statement of changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of changes in Equity referred to in our report of even date

For SANKALP & ASSOCIATES
Chartered Accountants
Firm Registration Number: 026578N

For and on behalf of the Board



HEMANT KOUSHIK
Partner
Membership Number: 412112



ARUN KUMAR BAGARIA
Director

Place: Jaitpura (Jaipur)
Date: June 25, 2020

Place: Jaitpura (Jaipur)
Date: June 25, 2020

FUTURA TEXTILES INC.
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in USD)

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	(73,505)	20,702
Adjustments for :		
Depreciation & Amortization	423	7
Finance costs	-	497
ECL Expenses	-	252
Operating Profit Before Working Capital Changes	(73,082)	21,458
Changes in Operating Assets and Liabilities		
Decrease in Trade receivables	244,698	(142,911)
Decrease in Inventories	236,916	48,186
Decrease in Trade payables	(556,573)	(974,572)
Increase in Other Financial Liabilities	29,753	497
Decrease in other current/non current assets	85,772	2,662
Increase in other current/non current Liabilities	-	(7,286)
Cash Generated from Operation	(32,517)	(1,051,966)
Income taxes paid	-	-
Net Cash Inflow from operating activities	(32,517)	(1,051,966)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	-	-
Net Cash Outflow from investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	-	(497)
Proceed from Loan	-	550,000
Proceed from Issue of Common Stock	-	450,000
Net cash outflow from financing activities	-	999,503
Net Increase / (Decrease) in Cash & cash equivalents	(32,517)	(52,463)
Cash & cash equivalents at the beginning of the financial year	102,733	155,196
Cash and cash equivalents at end of the year	70,217	102,733

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

This is the Cash Flow Statement referred to in our report of even date

For SANKALP & ASSOCIATES
Chartered Accountants
Firm Registration Number: 026578N



HEMANT KOUSHIK
Partner
Membership Number: 412112

Place: Jaitpura (Jaipur)
Date: June 25, 2020

For and on behalf of the Board



ARUN KUMAR BAGARIA
Director

Place: Jaitpura (Jaipur)
Date: June 25, 2020

Notes to the Financial Statements
2. Property, Plant and Equipment

(Amount in USD)

	Computer Equipment	Machine & Equipment	Total
As at March 31, 2019			
Gross carrying amount			
Opening gross carrying amount	-	2,775	2,775
Additions	1,337	-	1,337
Disposals	-	(2,775)	(2,775)
Closing gross carrying amount	1,337	-	1,337
Accumulated depreciation			
Opening accumulated depreciation	-	527	527
Depreciation charge during the year	197	-	197
Depreciation reversed during the year	-	(527)	(527)
Closing accumulated depreciation	197	-	197
Net carrying amount	1,140	-	1,140
As at March 31, 2020			
Gross carrying amount			
Opening gross carrying amount	1,337	-	1,337
Additions	-	-	-
Disposals	-	-	-
Closing gross carrying amount	1,337	-	1,337
Accumulated depreciation			
Opening accumulated depreciation	197	-	197
Depreciation for the year	423	-	423
Closing accumulated depreciation	620	-	620
Net carrying amount	717	-	717



Notes to the Financial Statements

(Amount in USD)

	AS AT MARCH 31, 2020	AS AT March 31, 2019
3. Inventories		
At Lower of Cost or Net Realizable Value		
Stock-In-Trade [Includes Goods in Transit, USD Nil (March 31, 2019 : Nil)]	852,766	1,089,682
Total	852,766	1,089,682
4. Financial Assets		
i) Trade Receivables		
Trade receivables	317,205	561,902
Less: Allowance for doubtful debts	4,939	4,939
Total receivables	312,266	556,963
Current Portion	317,205	561,902
Non Current Portion	-	-
Break-up of security details		
Secured, Considered good	-	-
Unsecured, Considered good	312,266	556,963
Doubtful	4,939	4,939
Total	317,205	561,902
Allowances for Doubtful Debts	4,939	4,939
Total trade receivables	312,266	556,963
ii) Cash and Cash equivalents		
Bank Balances		
- In Current Accounts	70,216	102,733
Total	70,216	102,733
5. Other Current assets		
Balance with Government Authorities	2,685	1,478
Prepaid expenses (Unsecured, Considered good)	5,691	91,273
Advance to suppliers	-	1,397
Total	8,376	94,148

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Notes to the Financial Statements

6. Share Capital

	(Amount in USD)	
	AS AT MARCH 31, 2020	AS AT March 31, 2019
Authorized:		
1,000,000 Common Stock of USD 1/-each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
Issued, Subscribed and Paid Up:		
As at March 31, 2020: 660,000 and As at March 31, 2019:		
660,000 Common Stock of USD 1/- each fully paid	660,000	660,000
Total	<u>660,000</u>	<u>660,000</u>

(a) Reconciliation of number of shares Common Stock

	No. of Shares	Share Capital
Balance as at the beginning of the year	238,637	238,637
Less: Buy Back Nil (March 2019: 28637) Common Stock of USD 1/-each	28,637	28,637
Shares issued during the year	450,000	450,000
Balance as at March 31, 2019	660,000	660,000
Shares issued during the year	-	-
Balance as at March 31, 2020	660,000	660,000

(b) Rights, preferences and restrictions attached to shares

Common Stock: The Company has one class of Common stock having a par value of USD 1/-per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	No of Shares	% of Holding
Common Stock:		
As at March 31, 2020		
Mayur Uniquoters Corp.	450,000	68%
Kenu International Private Limited	210,000	32%
7. Other Equity		
Retained Earnings		
Balance as at the beginning of the year	(686,047)	(675,099)
Add: Profit/(Loss) during the year	(73,505)	(10,948)
Balance as at March 31, 2020	(759,552)	(686,047)

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Notes to the Financial Statements

(Amount in USD)

	AS AT MARCH 31, 2020	AS AT March 31, 2019
8. Non Current Liabilities		
Financial Liabilities		
(i) Borrowings		
Unsecured		
Loan from Related Party [Refer note 20(D)]	550,000	550,000
Total	550,000	550,000
9. Financial Liabilities		
(i) Trade Payables		
Trade Payables	763,643	1,320,216
Total	763,643	1,320,216
(ii) Other Financial Liabilities		
Interest accrued but not due on borrowings	30,250	497
Total	30,250	497

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Notes to the Financial Statements

	Year Ended on March 31, 2020	Year Ended on March 31, 2019
10. Revenue from Operations		
Sale of Stock-In-Trade	1,837,636	2,018,780
Other Operating Revenue	1,372	38,997
Total	1,839,008	2,057,777
11. Purchase of Stock-In-Trade		
Purchase of stock in trade	1,162,654	1,112,607
Total	1,162,654	1,112,607
12. Changes in Inventories of Stock-In-Trade		
Opening Stock		
Stock-In-Trade	1,089,683	1,361,429
Total	1,089,683	1,361,429
Less:- Closing Stock		
Stock-In-Trade	852,766	1,089,682
Total	852,766	1,089,682
	236,917	271,747
(Increase)/ Decrease in Stock-In-Trade		
13. Employees Benefits Expenses		
Salaries, Wages & Bonus	107,341	213,833
Total	107,341	213,833
14. Depreciation and Amortization Expenses		
Depreciation on Property, Plant and Equipment	423	197
Total	423	197

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15. Other Expenses

Freight Charges	50,294	56,338
Insurance Expenses	14,238	22,256
Legal and Professional Expenses	19,831	14,378
Advertisement Expenses	-	7,532
Accounting Charges	-	3,943
Rent Expenses	112,143	146,098
Office Maintenance Expenses	8,387	4,546
Commission Expenses	66,333	80,000
Postage and Courier charges	38,881	56,246
Sales Promotion Expenses	10,831	7,095
Telephone Expenses	8,346	9,005
Travelling and Entertainment Expenses	6,732	13,596
Rates & Taxes	-	18,855
Miscellaneous Expenses	3,295	8,443
Bad Debts	9,146	7,522
Loss on Discard of asset	-	2,248
Ecl Expenses	-	4,938
Sample Expenses	19,301	-
Total	367,758	463,039

16. Finance Cost

Interest Expenses		
Others	7,170	5,250
Interest Expenses	30,250	2,052
Total	37,420	7,302

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Notes to the Financial Statements

	Year Ended on March 31, 2020	Year Ended on March 31, 2019
17. Earning Per Share		
(a) Basic & Diluted		
Profit after Tax	(73,505)	(10,948)
Weighted Average Number of Common Stock Outstanding	660,000	236,619
EPS	(0.11)	(0.05)
Face Value	1	1
(b) Diluted		
Profit after Tax	(73,505)	(10,948)
Weighted Average Number of Common Stock Outstanding	660,000	236,619
Diluted EPS	(0.11)	(0.05)
Restricted to Basic EPS		
Face Value	1	1

18. In the opinion of the management and to the best of their knowledge and belief the value of realization of advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

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Notes to the Financial Statements

19. Segment information

The chief operating decision maker (CODM) i.e. the Board of Directors reviews the performance of the overall business. As the company has single reportable segment i.e. PU/PVC synthetic leather, the segment wise disclosure requirements of Ind AS 108 on operating segment is not applicable. In compliance to the said standard, entity wide disclosures are as under :

Information about geographical areas

The Company is domiciled in USA. The amount of revenue from external customers broken down by location of customers is shown below :-

(Amount in USD)		
Revenue from external customers	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from the country of domicile - USA	1,839,008	2,057,777
Total	1,839,008	2,057,777

(Amount in USD)		
	March 31, 2020	March 31, 2019
Revenue from Major Customers :		
Customer 1	215,763	222,291

20. Related Party Transactions

(A) Parent Entity

(i) Ultimate Holding Company

Name	Type	Place of Incorporation	Ownership Structure	
			March 31, 2020	March 31, 2019
Mayur Uniquoters Limited	Ultimate Holding Company	India	100% Holding company of Mayur Uniquoters Corp.	100% Holding company of Mayur Uniquoters Corp.

(ii) Holding Company

The Company is controlled by the following entity:

Name	Type	Place of Incorporation	Ownership Structure	
			March 31, 2020	March 31, 2019
Mayur Uniquoters Corp.	Holding Company	USA	68%	68%
Kenu International Pvt Ltd.	Holding Company	India	32%	32%

(B) Key Management personnel

Arun Kumar Bagaria (Director)

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Notes to the Financial Statements

(C) Transactions with related parties

(Amount in USD)

	March 31, 2020	March 31, 2019
Mayur Uniquoters Limited (Ultimate Parent Entity)*		
Purchase of Goods	1,144,561	1,053,605
Air Freight Charges	-	16,150
Recovery of Expenses	-	(36,394)
Mayur Uniquoters Corp. (Parent Entity)*		
Share Capital Issued	-	450,000
Loan Taken	-	550,000
Interest	30,250	497
Robert Kahn (Director)		
Repayment of loan	-	157,489
Buy back of Common Stock	-	28,637
Interest on loan	-	1,555
Reimbursement of expenses	-	3,126
Total	1,174,811	2,224,665

(D) Outstanding balance as at the year end

The following balances are outstanding at the end of the reporting

(Amount in USD)

	March 31, 2020	March 31, 2019
Mayur Uniquoters Limited (Ultimate Parent Entity)*		
Trade Payable (Purchase of goods)	758,510	1,320,632
Trade Payable (Other than Purchase of goods)	-	(10,460)
Mayur Uniquoters Corp. (Parent Entity)*		
Loan Payable**	550,000	550,000
Interest Payable	30,250	497
Total Payable to related parties	1,338,760	1,860,669

* During the previous year consequent to acquisition of 68.18% share holding in the company on March 26, 2019 Mayur Uniquoters Corp. become holding company and Mayur Uniquoters Limited become Ultimate Holding Company

**Loan amounting to \$ 550,000 (March 31, 2019 \$ 550,000) The above loan bear interest at rate of 5.5% payable annually and principal amount will be repayable after a period of three years.

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Notes to the Financial Statements
21. Fair value measurements

Financial instruments by category (Amount in USD)

	As At March 31, 2020			As At March 31, 2019		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial assets						
Trade receivables	-	-	312,266	-	-	556,963
Cash and cash equivalents	-	-	70,216	-	-	102,733
Total financial assets	-	-	382,482	-	-	659,696

Financial liabilities						
Borrowing	-	-	550,000	-	-	550,000
Trade payables	-	-	763,643	-	-	1,320,216
Other Financial Liabilities	-	-	30,250	-	-	497
Total financial liabilities	-	-	1,343,893	-	-	1,870,713

(i) Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded debentures and mutual funds that have quoted price. The fair value of all equity instruments (including debentures) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.



Notes to the Financial Statements

22. Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(A) Credit risk

The Company is exposed to credit risk in the normal course of business. The Company's principal financial assets are cash and trade receivables. The Company's exposure to credit risk is primarily attributable to receivables. To manage the credit risk associated with cash holdings the company holds cash with financial institutions. Credit risk is the risk that a counterparty will not meet its obligations under a financial instruments or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities.

Customer credit risk is managed by director subject to the Company's established policies, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The table below shows the Company's maximum exposures related to credit risk as of March 31, 2020, March 31, 2019

	(Amount in USD)	
	March 31, 2020	March 31, 2019
Cash on hand and in banks	70,216	102,733
Trade receivables-third parties	312,266	556,963
Other assets	8,376	94,148
Total	390,858	753,844

Reconciliation of ECL provision – Trade receivables

	(Amount in USD)
Provision for doubtful debts as on 1 April 2018	-
Changes in provision during the year including written off during the year	4,938
Provision for doubtful debts as on 31 March 2019	4,938
Changes in provision during the year including written off during the year	-
Provision for doubtful debts as on 31 March 2020	4,938

Significant Estimates: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost . Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Contractual maturities of financial liabilities:

	(Amount in USD)		
	Less than 1 years	1-5 years	More than 5 years
31 March 2020			
Loan	-	550,000	-
Trade payables	763,643	-	-
Other financial liabilities	30,250	-	-
Total	793,893	550,000	-
31 March 2019			
Loan	550,000	-	-
Trade payables	1,320,216	-	-
Other financial liabilities	497	-	-
Total	1,870,713	-	-

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Notes to the Financial Statements

23. Capital management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. No changes were made in the objectives, policies or processes for managing capital during the year ended March 25, 2019 and March 31, 2019.

24. COVID-19 Assessment

The COVID-19 pandemic is rapidly spreading throughout the world. The operations of the Company were impacted, due to shutdown following nationwide lockdown. The Company has resumed operations in a phased manner as per directives from the Government. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

For SANKALP & ASSOCIATES

Chartered Accountants

Firm Registration Number: 026578N



HEMANT KOUSHIK

Partner

Membership Number: 412112

Place: Jaitpura (Jaipur)

Date: June 25, 2020

For and on behalf of the Board



ARUN KUMAR BAGARIA

Director

Place: Jaitpura (Jaipur)

Date: June 25, 2020