



02

INDEPENDENT AUDITOR'S REPORT

To the Members of **Kenrik Industries Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone Ind AS standalone financial statements of Kenrik Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified opinion section of our report, the aforesaid standalone Ind AS standalone financials Statements give the information required by the companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally excepted in India, of the state of affairs and fair view of the company as at March 31, 2022, its profit (or loss), statement of changes in equity and cash flows for the year ended on that date.

Basis for Qualified Opinion

Refer to standalone financial statements, all the value with regards to financial assets and financial liabilities in the financial statements has been stated at historical cost only irrespective of the fair value of the same which is departure from requirement of Ind AS 113 (Fair Value Measurement) and Ind AS 109 (Financial Instruments).

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India

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together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

- Refer to Notes forming part of statement which includes the balance of Sundry Debtors, Sundry Creditors, Investments in subsidiary, Loans including deposits and advances are subject to confirmation from and reconciliation with the relevant parties as on the date of balance sheet date. We are not in position to verify the amounts at which such balances are receivable and payable.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) 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. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

This report doesn't include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India, in terms of sub section 11 of section 143 of the companies Act, 2013 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company.

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

- (a) We have sought and, except for the matters described in the basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except,

The confirmations of the balances outstanding as on the reporting date with customers, suppliers, unsecured borrowings, deposits and loans and advances are subject to confirmation with books of the counter parties.

- (b) Except for the possible effects of the matter described in the basis for qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 A**".

(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:

(a) The Company does not have any pending litigations which would impact its financial position;

(b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company



("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

(e) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

Date : 3rd September, 2022
Place : Ahmedabad

For, V S S B & Associates
Chartered Accountants
Firm No.121356W



(Shridhar Shah)
Partner
M. No.138132

UDIN: 22138132AYMXRD5763

“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statements of Kenrik Industries Limited

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

We have audited the internal financial controls over financial reporting of **Kenrik Industries Limited** (“the Company”) as of March 31, 2022 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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”) issued by ICAI on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that



(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 3rd September, 2022
Place : Ahmedabad

For, V S S B & Associates
Chartered Accountants
Firm No.121356W



Shridhar

(Shridhar Shah)
Partner
M. No.138132

UDIN: 22138132AYMXRD5763

“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under the heading ‘Report on other Legal & Regulatory Requirement’ of our report of even date)

(i) In Respect of the Fixed Assets: -

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has no Intangible Assets during the year.

(b) All the Property, Plant and Equipment have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

(c) Details of immovable properties, which are not held in the name of the company, are given below: Not Applicable

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

(ii) In respect of Inventories: No inventories are held by the company during the year and no Inventory is there as on balance sheet date, hence reporting under clause a, b and c regarding the procedure for physical



verification and reasonable records for inventories respectively is not applicable.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, sub-paragraphs (a) to (f) of paragraph 3(iii) of the Companies (Auditor's Report) Order, 2020 ('the Order') are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments.

More so company has not provided us the list of persons related to director as defined under section 185 of the companies act, therefore no comments can be made regarding the fact that whether any loans has been advanced to such persons in contravention of the act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act. Therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.

(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) In Respect of Statutory Dues:

a) The Company is generally regular in depositing undisputed statutory dues including Income tax and other statutory dues with the appropriate



authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.

- (viii) The Company has not surrendered or disclosed as income any transaction not recorded in the books of account during the year in the tax assessments under the Income-tax Act, 1961.
- (ix) A) The Company has not borrowed funds from any banks, financial institutions or debenture holders. Hence, the provisions of paragraph 3(ix) of the Order are not applicable.
B) We report that the Company has not been declared willful defaulter by any bank or financial institution or other lender or government or any government authority.
C) The Company has utilized the money obtained by way of term loans during the year for the purposes for which the loans have been obtained.
D) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilized for long-term purposes by the Company.
E) On an overall examination of the financial statements of the Company, we report that the Company is not having subsidiaries, associates or joint ventures. Hence, the question of taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
F) We report that the Company is not having subsidiaries, joint ventures or associate companies. Therefore, the question of raising loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise.
- (x) A) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions



of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.

B) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore the requirements of compliance with section 42 and section 62 of the Act and utilization of the funds for the purposes for which they were raised do not arise.

(xi) A) No material fraud by the Company or any fraud on the Company has been noticed or reported during the year.

B) As no material fraud by the Company or any fraud on the Company has been noticed or reported during the year, there is no necessity of filing any report in Form ADT-4 under sub-section (12) of section 143 of the Companies Act with the Central Government.

C) The Company is not required to and has not established whistle-blower mechanism during the year.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with sections 177 and 188 of the Companies Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under section 133 of the Companies Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) A) Though the Company is required to have an internal audit system under section 138 of the Companies Act, it does not have the same established for the year.



B) We are unable to obtain any of the internal audit reports of the Company, hence the internal audit reports have not been considered by us.

- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year and hence provisions of section 192 of the Companies Act are not applicable to the Company.

However, company has not provided us with the list of persons connected to director as defined under companies act, therefore no comments can be made regarding the fact that whether any non-cash transactions has done with the persons connected to the director.

- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act, 1934.

- (xvii) The Company has not incurred cash losses during the year.

- (xviii) There has been no any resignation of Auditors during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any



guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company is liable to spent for CSR Activities as the company fall under the criteria of Net Profit more than 5 Crore during the immediately preceding financial year but the company has not spent a single amount of rupees for the CSR Activities. Amount required to be spent calculated and disclosed in the Notes to financial statement including shortfall of CSR Amount & reason for shortfall as declared by the management.
- (xxi) The Company is not having any subsidiary, joint venture or associate company and as such the Company is not required to prepare consolidated financial statements. Hence, the provisions of paragraph (xxi) of the Order are not applicable to the Company.

Date : 3rd September, 2022
Place : Ahmedabad

For, V S S B & Associates
Chartered Accountants
Firm No.121356W



Shridhar

(Shridhar Shah)
Partner

M. No.138132

UDIN: 22138132AYMXRD5763

Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Balance Sheet as at March 31, 2022
(CIN:U36101GJ2017PLC095995)

(Rs. in Thousands)

| | Particulars | Note No. | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------|--|----------|----------------------|--|----------------------|--|
| I | ASSETS | | | | | |
| | Non-current assets | | | | | |
| | (a) Property, Plant and Equipment | 22 | 963.33 | | 1035.73 | |
| | (b) Capital work-in-progress | | 0.00 | | 0.00 | |
| | (c) Investment Property | | 0.00 | | 0.00 | |
| | (d) Goodwill | | 0.00 | | 0.00 | |
| | (e) Other Intangible assets | | 0.00 | | 0.00 | |
| | (f) Intangible assets under development | | 0.00 | | 0.00 | |
| | (g) Biological Assets other than bearer plants | | 0.00 | | 0.00 | |
| | (h) Financial Assets | | | | | |
| | (i) Investments | 14 | 0.00 | | 0.00 | |
| | (ii) Trade receivables | 15 | 0.00 | | 0.00 | |
| | (iii) Loans | 16 | 0.00 | | 0.00 | |
| | (iv) Others | | | | | |
| | (i) Deferred tax assets (net) | | 0.00 | | 0.00 | |
| | (j) Other non-current assets | 17 | 0.00 | | 0.00 | |
| | | | 963.33 | | 1035.73 | |
| II | Current assets | | | | | |
| | (a) Inventories | | 69899.33 | | 84972.07 | |
| | (b) Financial Assets | | | | | |
| | (i) Investments | 18 | 0.00 | | 0.00 | |
| | (ii) Trade receivables | 15 | 42145.98 | | 14683.50 | |
| | (iii) Cash and cash equivalents | 19 | 114.99 | | 169.00 | |
| | (iv) Bank balances other than (iii) above | 19 | 0.00 | | 0.00 | |
| | (v) Loans | 20 | 5070.84 | | 1355.81 | |
| | (vi) Others | | 0.00 | | 0.00 | |
| | (c) Current Tax Assets (Net) | | 0.00 | | 0.00 | |
| | (d) Other current assets | 21 | 6463.75 | | 387.37 | |
| | | | 123694.88 | | 101567.75 | |
| | Total Assets | | 124658.21 | | 102603.48 | |
| I | EQUITY AND LIABILITIES | | | | | |
| | EQUITY | | | | | |
| | (a) Equity Share capital | 2 | 89999.00 | | 50000.00 | |
| | (b) Instruments entirely equity in nature | | 0.00 | | 0.00 | |
| | (c) Other Equity | 3 | 20575.06 | | 8739.54 | |
| | | | 110574.06 | | 58739.54 | |
| | LIABILITIES | | | | | |
| | Non-current liabilities | | | | | |
| | (a) Financial Liabilities | | | | | |
| | (i) Borrowings | 4 | 1550.00 | | 1250.00 | |
| | (ii) Lease Liabilities | 5 | 0.00 | | 0.00 | |
| | (iii) Other financial liabilities | 6 | 0.00 | | 0.00 | |
| | (b) Provisions | 7 | 0.00 | | 0.00 | |
| | (c) Deferred tax liabilities (Net) | | 36.77 | | 40.65 | |
| | (d) Other non-current liabilities | 8 | 0.00 | | 0.00 | |
| | | | 1586.77 | | 1290.65 | |
| II | Current liabilities | | | | | |
| | (a) Financial Liabilities | | | | | |
| | (i) Borrowings | 9 | 0.00 | | 0.00 | |
| | (ii) Trade payables | 10 | | | | |
| | Micro and Small Enterprises | | 0.00 | | 0.00 | |
| | Other than Micro and Small Enterprises | | 10893.99 | | 41245.48 | |
| | (iii) Other financial liabilities | 11 | 0.00 | | 0.00 | |
| | (b) Other current liabilities | 12 | 34.00 | | 0.00 | |
| | (c) Provisions | 13 | 1569.39 | | 1327.81 | |
| | (d) Current Tax Liabilities (Net) | | 0.00 | | 0.00 | |
| | | | 12497.38 | | 42573.29 | |
| | Total Equity and Liabilities | | 124658.21 | | 102603.48 | |

As per our separate report of even date
See accompanying notes to the financial statements
For, V S S B & Associates
Chartered Accountants
Firm No.121356W

Shridhar
(Shridhar Shah)
Partner
M. No. 138132
UDIN : 22138132AYMXRD5763
Place Ahmedabad
Date : 3rd September, 2022



For & on behalf of the Board,
Kenrik Industries Limited

Nitin D Shah
Nitin D Shah
Managing Director
(DIN: 07715360)

Kiran
Kiran Prajapati
Compan Secretary
Place: Ahmedabad
Date: 3rd September, 2022

Shivangi B Gajjar
Shivangi B Gajjar
Director
(DIN: 07243790)

Nihar N Shah
Nihar N Shah- CFO
(DIN: 07714540)



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Statement of Profit and Loss for the year ended March 31, 2022

(Rs. in Thousands)

| | Particulars | Note No. | For the year ended March 31, 2022 | | For the year ended March 31, 2021 | |
|-------|--|----------|-----------------------------------|------------------|-----------------------------------|------------------|
| I | Revenue from Operations | 31 | 399505.66 | | 388622.55 | |
| II | Other Income | 23 | 1045.39 | | 1679.84 | |
| III | Net gain on de-recognition of financial assets at amortized cost | | 0.00 | | 0.00 | |
| IV | Net gain on reclassification of financial assets | | 0.00 | | 0.00 | |
| V | Total Income (I+II+III+IV) | | | 400551.05 | | 390302.39 |
| VI | Expenses | | | | | |
| | Cost of Material Consumed | | 0.00 | | 0.00 | |
| | Purchases of Stock-in-Trade | 24 | 377478.56 | | 428597.10 | |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 25 | 15072.74 | | (44914.39) | |
| | Employee Benefits Expenses | 26 | 1855.06 | | 963.50 | |
| | Finance Costs | 27 | 12.84 | | 31.16 | |
| | Depreciation and Amortization Expense | 28 | 213.50 | | 247.13 | |
| | Other Expenses | 29 | 669.17 | | 374.02 | |
| | Total Expense (VI) | | | 395301.87 | | 385298.51 |
| VII | Profit/(Loss) before Exceptional items and Tax (V- VI) | | | 5249.17 | | 5003.88 |
| VIII | Exceptional Items | | | 0.00 | | 0.00 |
| IX | Profit Before Tax (VII-VIII) | | | 5249.17 | | 5003.88 |
| X | Tax Expense: | | | | | |
| | (a) Current Tax | | 1368.67 | | 1301.01 | |
| | (b) Deferred Tax | | (3.88) | | (9.91) | |
| | | | 0.00 | | 0.00 | |
| | | | | 1364.79 | | 1291.10 |
| XI | Profit for the Period from Continuing Operations (IX - X) | | | 3884.39 | | 3712.78 |
| XII | Profit/(Loss) for the Period from Discontinuing Operations | | | 0.00 | | 0.00 |
| XIII | Tax Expense of Discontinuing Operations | | | 0.00 | | 0.00 |
| XIV | Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII) | | | 0.00 | | 0.00 |
| XV | Profit for the Period (XI + XIV) | | | 3884.39 | | 3712.78 |
| XIV | Other Comprehensive Income | | | | | |
| | (A)(i) Items that will not be reclassified to profit or loss | | | 0.00 | | 0.00 |
| | (ii) Income tax relating to items that will not be reclassified to profit and loss | | | 0.00 | | 0.00 |
| | (B)(i) Items that will be reclassified to profit or loss to profit and loss | | | 0.00 | | 0.00 |
| | (ii) Income tax relating to items that will be reclassified to profit and loss | | | 0.00 | | 0.00 |
| | | | | 0.00 | | 0.00 |
| XVI | Total Comprehensive Income for the period (XV+ XIV) (Comprising Profit/(loss) and other Comprehensive Income for the period) | | | 3884.39 | | 3712.78 |
| XVII | Earnings Per Equity Share (For Continuing Operation) : | 30 | | | | |
| | (a) Basic | | | 0.43 | | 0.74 |
| | (b) Diluted | | | 0.43 | | 0.74 |
| XVIII | Earnings Per Equity Share (For Discontinuing Operation): | 30 | | | | |
| | (a) Basic | | | - | | - |
| | (b) Diluted | | | - | | - |
| XVIX | Earnings Per Equity Share (For Continuing and Discontinuing Operation): | 30 | | | | |
| | (a) Basic | | | 0.43 | | 0.74 |
| | (b) Diluted | | | 0.43 | | 0.74 |

Significant Accounting Policies

As per our separate report of even date

See accompanying notes to the financial statements

For, V S S B & Associates

Chartered Accountants

Firm No.121356W

Shridhar

(Shridhar Shah)

Partner

M. No. 138132

UDIN : 22138132AYMXRD5763

Place Ahmedabad

Date : 3rd September, 2022



For & on behalf of the Board,
Kenrik Industries Limited

Nitin D Shah
Nitin D Shah
Managing Director
(DIN: 07715360)

Kiran Prajapati
Kiran Prajapati
Compan Secretary
Place: Ahmedabad

Date: 3rd September, 2022

Shivangi B Gargi

Shivangi B Gargi
Director
(DIN: 07243712)

Nihar N Shah
Nihar N Shah- CFO
(DIN: 07714540)



STATEMENT OF CHANGES IN EQUITY

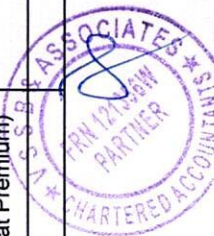
Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Statement of Changes in Equity for the period ended 31st March, 2022

A. Equity Share Capital

| Particulars | Balance at the beginning of the reporting period | Changes in Equity Share capital due to prior period errors | Restated balance at the beginning of the reporting period | Changes in equity share capital during the year | Balance at the end of the reporting period |
|------------------|--|--|---|---|--|
| 1st April, 2020 | 50000.00 | 0.00 | 0.00 | 0.00 | 50000.00 |
| 31st March, 2021 | 50000.00 | 0.00 | 0.00 | 0.00 | 50000.00 |
| 31st March, 2022 | 50000.00 | 0.00 | 0.00 | 39999.00 | 89999.00 |

B. Other Equity

| B. Other Equity | | (Rs. in Thousands) | | | | | |
|---|-------------|----------------------|-----------------|----------------------------|---|-----------------|-------------------|
| Particulars | | Reserves and Surplus | | | | Total | |
| | | Special Reserve | Capital Reserve | Securities Premium Reserve | Other Reserves (Surplus balance of Profit & loss Account) | | Retained Earnings |
| Reporting as at 1st April, 2020 | | | | | | | |
| Balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 | 4799.08 | 0.00 | 4799.08 |
| Changes in accounting policy or prior period errors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Restated Balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Comprehensive Income for the year | 0.00 | 0.00 | 0.00 | 0.00 | 3712.78 | 0.00 | 3712.78 |
| Dividends | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer to retained earnings | 0.00 | 0.00 | 0.00 | 0.00 | 227.67 | 0.00 | 227.67 |
| Any other change (Written off) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Balance at the end of 31st March, 2021 | 0.00 | 0.00 | 0.00 | 0.00 | 8739.54 | 0.00 | 8739.54 |
| | | | | | | | 0.00 |
| Reporting as at 1st April, 2021 | | | | | | | 0.00 |
| Balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 | 8739.54 | 0.00 | 8739.54 |
| Changes in accounting policy or prior period errors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Restated Balance at the beginning of the reporting period | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Comprehensive Income for the year | 0.00 | 0.00 | 0.00 | 0.00 | 3884.39 | 0.00 | 3884.39 |
| Dividends | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer to retained earnings | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Any other change (Additional Shares issued at Premium) | 0.00 | 0.00 | 7999.80 | 48.67 | | | 8048.47 |
| Balance at the end of the March 2022 | 0.00 | 0.00 | 7999.80 | 12575.26 | 0.00 | 20575.06 | |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

(Rs. in Thousands)

Note 2 - Equity Share Capital

| (a) | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-----|-------------|----------------------|----------------------|
|-----|-------------|----------------------|----------------------|

Authorised :

| | | |
|---|-----------------|-----------------|
| 90,00,000 Equity Shares (Previous Year 90,00,000) of Rs. 10/- each | 90000.00 | 90000.00 |
| TOTAL | <u>90000.00</u> | <u>90000.00</u> |

Issued, Subscribed and Paid-up :

| | | |
|---|-----------------|-----------------|
| 89,99,900 Equity Shares (Previous Year 50,00,000) of Rs. 10/- each | 89999.00 | 50000.00 |
| TOTAL | <u>89999.00</u> | <u>50000.00</u> |

(b) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

- i) The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended 31st March 2022, the Company has not declared any dividend.
- ii) In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| No. of shares at the beginning of the year | 5000.00 | 5000.00 |
| Add: Issue of Shares during the year | | |
| Right Shares issued during the year | 3999.90 | 0.00 |
| Private Placement | 0.00 | |
| | <u>8999.90</u> | <u>5000.00</u> |
| Less: Forfeiture of Shares during the Year | 0.00 | |
| No. of shares at the end of the year | <u>8999.90</u> | <u>5000.00</u> |

(d) Aggregate details for five immediately previous reporting periods for each class of shares

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| - No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash | - | - |
| - No. of shares allotted as fully paid by way of Bonus Shares | - | - |
| - No. of shares bought back | - | - |

(e) Details of shareholders holding more than 5% shares in the company

| No. of Shares held by | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------------------|----------------------|-------|----------------------|-------|
| | Nos. | % | Nos. | % |
| Nitin D Shah | 4577.90 | 50.87 | 2869.60 | 57.39 |
| Nihar N Shah | 2956.60 | 32.85 | 665.00 | 13.30 |
| Manisha N Shah | 972.50 | 10.81 | 972.50 | 19.45 |
| Nitin D Shah HUF | 492.50 | 5.47 | 492.50 | 9.85 |

| Shares held by Promoters at the end of the year | | | % Change during the year |
|---|--------------|-------------------|--------------------------|
| Name of Promoter | No of Shares | % of Total Shares | |
| Nitin D Shah | 4577.90 | 50.87 | (6.53) |
| Nihar N Shah | 2956.60 | 32.85 | 19.55 |
| Manisha N Shah | 972.50 | 10.81 | (8.64) |
| Nitin D Shah HUF | 492.50 | 5.47 | (4.38) |

(f) Detailed note on shares reserved to be issued under options and contracts / commitment for the sale of shares / divestments including the terms and conditions.

The company does not have any such contract / commitment as on reporting date.

(g) Detailed terms of any securities convertible into shares, e.g. in the case of convertible warrants, debentures,

The company does not have any securities convertible into shares as on reporting date.



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

Note 3 - Other Equity

| | | (Rs. in Thousands) | |
|--|----------------------|----------------------|---------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 | |
| (i) Capital Reserve | | | |
| As per last Balance Sheet | 0.00 | 0.00 | |
| Add: Additions during the year (Share Forfeit) | 0.00 | 0.00 | |
| Less: Utilised / transferred during the year | 0.00 | 0.00 | |
| Closing balance | 0.00 | 0.00 | |
| (ii) Securities premium account | | | |
| Opening balance | 0.00 | 0.00 | |
| Add : Premium on shares issued during the ye | 7999.80 | 0.00 | |
| Less : Utilised during the year for: | 0.00 | 0.00 | |
| Closing balance | 7999.80 | 0.00 | |
| (ii) General Reserve | | | |
| As per last Balance Sheet | 0.00 | 0.00 | |
| Add: Transferred from Profit and Loss Accoun | 0.00 | 0.00 | |
| Less: Transferred to Profit and Loss Account | 0.00 | 0.00 | |
| Closing balance | 0.00 | 0.00 | |
| (iii) Special Reserve | 0.00 | 0.00 | |
| | 0.00 | 0.00 | |
| (iv) Surplus in the Profit & Loss Account | | | |
| As per last Balance Sheet | 8739.54 | 4799.08 | |
| Add: Profit / (Loss) for the year | 3884.39 | 3712.78 | |
| Amount available for appropriations | 12623.92 | 8511.86 | |
| Appropriations: | | | |
| Add: Transferred from reserves | 0.00 | 227.67 | |
| Less: Written Off Balances | 48.67 | 0.00 | |
| | (48.67) | 227.67 | 8739.54 |
| | 12575.26 | | |
| TOTAL | 20575.06 | 8739.54 | |

Note 4: Non Current Liabilities: Financial Liabilities : Borrowing

| | | (Rs. in Thousands) | |
|--|----------------------|----------------------|--|
| Particulars | As at March 31, 2022 | As at March 31, 2021 | |
| (a) Loans From Bank and Financial Institutions | | | |
| Secured Loans | 0.00 | 0.00 | |
| | 0.00 | 0.00 | |
| Unsecured Loans | 0.00 | 0.00 | |
| | 0.00 | 0.00 | |
| Term Loan from others | 0.00 | 0.00 | |
| Secured | 0.00 | 0.00 | |
| Unsecured | 0.00 | 0.00 | |
| (b) Loans and advances from related parties | 0.00 | 0.00 | |
| Secured | 1550.00 | 1250.00 | |
| Unsecured | 1550.00 | 1250.00 | |
| (c) Other Loan & Advances | | | |
| Secured Loans | 0.00 | 0.00 | |
| Unsecured Loans | 0.00 | 0.00 | |
| | 0.00 | 0.00 | |
| | 1550.00 | 1250.00 | |

Note 5: Non- Current Liabilities: Financial Liabilities : Lease Liabilities

| | | (Rs. in Thousands) | |
|-------------------|----------------------|----------------------|--|
| Particulars | As at March 31, 2022 | As at March 31, 2021 | |
| (i) Trade Payable | 0.00 | 0.00 | |
| (ii) Others | 0.00 | 0.00 | |
| Total | 0.00 | 0.00 | |

Note 6: Non- Current Liabilities: Financial Liabilities : Others

| | | (Rs. in Thousands) | |
|-------------------|----------------------|----------------------|--|
| Particulars | As at March 31, 2022 | As at March 31, 2021 | |
| (i) Trade Payable | 0.00 | 0.00 | |
| (ii) Others | 0.00 | 0.00 | |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

| | | |
|--------------|------|------|
| Total | 0.00 | 0.00 |
|--------------|------|------|

Note 7: Non Current : Provisions

| (Rs. in Thousands) | | |
|---------------------------------------|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| (a) Provision for employee's benefits | 0.00 | 0.00 |
| (b) Others (Specify) | 0.00 | 0.00 |
| | 0.00 | 0.00 |

Note 8: Other Non- Current Liabilities

| (Rs. in Thousands) | | |
|--------------------|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| (i) | 0.00 | 0.00 |
| (ii) | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

Note 9: Current Liabilities: Financial Liabilities : Borrowing

| (Rs. in Thousands) | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| (a) Loans repayable on demand | | |
| From banks | | |
| Secured | 0.00 | |
| Unsecured | 0.00 | |
| | 0.00 | 0.00 |
| (b) Loans and advances from other Parties | | |
| Secured | 0.00 | |
| Unsecured | 0.00 | |
| | 0.00 | 0.00 |

Note 10: Current liabilities: Financial Liabilities : Trade Payables

| (Rs. in Thousands) | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| Outstanding Dues of Micro, Small and Medium Enterprises | 0.00 | 0.00 |
| Advances received from Debtors | 0.00 | 10545.00 |
| Outstanding Dues of Other Creditors | 10893.99 | 30700.48 |
| | 10893.99 | 41245.48 |

Note: 1) Balance of Sundry Creditors are subject to confirmation. 2) In absense of the identification by the company Micro, Small and Medium Enterprise (MSME) parties from whom the company has the company has procured the goods and services. We are unable to categorize the over dues over 45 days to and interest payments outstanding to MSME as on the date of balance sheet.

Note 11: Current liabilities: Financial Liabilities : Others

| (Rs. in Thousands) | | |
|--------------------|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| TOTAL | 0.00 | 0.00 |

Note 12: Other Current Liabilities

| (Rs. in Thousands) | | |
|----------------------|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| Outstanding Expenses | 34.00 | 0.00 |
| TOTAL | 34.00 | 0.00 |

Note 13 - Current Liabilities :Provisions

| (Rs. in Thousands) | | |
|--------------------------|----------------------|----------------------|
| Particulars | As at March 31, 2022 | As at March 31, 2021 |
| Statutory Liabilities | 172.73 | 26.80 |
| Provision for Audit Fees | 28.00 | 0.00 |
| Provision for Income Tax | 1368.67 | 1301.01 |
| TOTAL | 1569.39 | 1327.81 |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

Note -14 - Non-Current Assets: Financial Assets: Investments

(Rs. in Thousands)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Investments (At Cost) | | |
| Investment in Equity Instruments | | |
| i) of Subsidiary: | | |
| ii) of other entities: | | |
| <u>Investment in Shares & Securities</u> | | |
| <u>Investments in Quoted Investments</u> | | |
| Equity Investments:- | | |
| | 0.00 | 0.00 |
| | <u>0.00</u> | <u>0.00</u> |

Note -16 - Non Current Assets: Financial assets: Loan

(Rs. in Thousands)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| (a) Capital Advances | 0.00 | 0.00 |
| (b) Loans & Advances to Related Parties | | |
| Unsecured considered good | 0.00 | 0.00 |
| (c) Other Loans & Advances (Specify Nature) | | |
| Secured, Considered good | | 0.00 |
| Unsecured Considered good | 0.00 | |
| Due from Others | 0.00 | |
| Doutful or Bad | 0.00 | |
| | <u>0.00</u> | <u>0.00</u> |

Note -17 - Other Non-Current Assets

(Rs. in Thousands)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------|----------------------|----------------------|
| (a) Long Term Trade Receivable | | |
| (b) Others (Specify Nature) | | |
| | <u>0.00</u> | <u>0.00</u> |

Note -18 - Current Assets: Investments

(Rs. in Thousands)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------|----------------------|----------------------|
| | <u>0.00</u> | <u>0.00</u> |

Note 15 - Trade Receivables

(Rs. in Thousands)

| (a) Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| (i) Due for a period exceeding six months | | |
| - Unsecured, considered good | 15594.44 | 0.00 |
| - Doubtful | 0.00 | 0.00 |
| Less: Provision for Doubtful Debts | 0.00 | 0.00 |
| | 15594.44 | 0.00 |
| (ii) Others | | |
| - Unsecured, considered good | 26551.54 | 14683.50 |
| Other Receivables | | |
| - Doubtful | | |
| Less: Doubtful Debts Writtewn off | 0.00 | |
| | 26551.54 | 14683.50 |
| TOTAL | <u>42145.98</u> | <u>14683.50</u> |

Note 19 - Cash & Cash equivalents

(Rs. in Thousands)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| (a) Cash & Cash Equivalents | | |
| (i) Balances with Banks : | | |
| Bank Accounts | 109.72 | 101.62 |
| (ii) Cash-on-hand | 5.27 | 67.39 |
| (iii) Cheques & Drafts on-hand | 0.00 | 0.00 |
| (iv) Others - Stamps on Hand | 0.00 | 0.00 |
| (b) Other Bank Balances | | |
| - Margin Money or Security Deposit | | |
| - Repatriation Restrictions | | |
| - Deposit Accounts more than 3 month maturity | | |
| - Deposit Accounts more than 12 month maturity | | |
| TOTAL | <u>114.99</u> | <u>169.00</u> |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)

Notes to financial statements for the year ended March 31, 2022

Note 20 - Current Assets: Financial Assets: Loans

| | | (Rs. in Thousands) | |
|-----|---|----------------------|----------------------|
| (a) | Particulars | As at March 31, 2022 | As at March 31, 2021 |
| | (i) Inter-corporate deposits | | |
| | Secured, considered good | 0.00 | |
| | Unsecured, considered good | | 0.00 |
| | Doubtful | 0.00 | |
| | | 0.00 | 0.00 |
| | (ii) Share Application Money Given | | |
| | (iii) Advance income tax and TDS - Unsecured, considered good | 0.00 | - |
| | | 0.00 | 0.00 |
| | (iv) Others | | |
| | Secured, considered good | 0.00 | |
| | Unsecured, considered good | 5070.83 | 1355.81 |
| | | 5070.83 | 1355.81 |
| | Less: Provision for Doubtful Debts | | |
| | TOTAL | 5070.83 | 1355.81 |

Note 21: Other Current Assets

| | | (Rs. in Thousands) | |
|--|---------------------------|----------------------|----------------------|
| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
| | Duties & Taxes | 550.73 | 0.00 |
| | Advances paid to Supplier | 5913.02 | 0.00 |
| | Other Current Assets | 0.00 | 387.37 |
| | | 6463.75 | 387.37 |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)

Note : 22

Schedule of Property, Plant and Equipment as per the Companies Act for the year ended March 31, 2022

| Block of Asset | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|----------------------|-----------------------|-----------------------|------------------------|------------------------|--------------------------|---------------------|------------------------|------------------------|------------------------|------------------------|
| | As at 1st April, 2021 | Addition/ Adjustments | Deduction/ Adjustments | As at 31st March, 2022 | As at 1st April, 2021 | Charge for the year | Deduction/ Adjustments | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 |
| Computer | 30.00 | 0.00 | 0.00 | 30.00 | 29.46 | 0.34 | 0.00 | 29.80 | 0.54 | 0.20 |
| Furniture & Fixtures | 403.50 | 0.00 | 0.00 | 403.50 | 283.08 | 31.18 | 0.00 | 314.26 | 120.42 | 89.24 |
| Laptop | 52.00 | 0.00 | 0.00 | 52.00 | 51.06 | 0.59 | 0.00 | 51.65 | 0.94 | 0.35 |
| Plant & Machinery | 2047.50 | 0.00 | 0.00 | 2047.50 | 1134.05 | 165.33 | 0.00 | 1299.39 | 913.45 | 748.11 |
| Printer | 20.50 | 0.00 | 0.00 | 20.50 | 20.13 | 0.23 | 0.00 | 20.36 | 0.37 | 0.14 |
| Camera | 0.00 | 141.10 | 0.00 | 141.10 | 0.00 | 15.81 | 0.00 | 15.81 | 0.00 | 125.29 |
| Total : | 2553.50 | 141.10 | 0.00 | 2694.60 | 1517.77 | 213.50 | 0.00 | 1731.27 | 1035.73 | 963.33 |
| Total : PY | 2553.50 | 0.00 | 0.00 | 2553.50 | 1270.65 | 247.13 | 0.00 | 1517.77 | 1282.85 | 1035.73 |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

Note 31 - Revenue from Operations

| (Rs. in Thousands) | | |
|--------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Sales | 399505.66 | 388622.55 |
| TOTAL | 399505.66 | 388622.55 |

Note 23 - Other Income

| (Rs. in Thousands) | | |
|--------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Interest Income | 1044.18 | 1319.03 |
| Kasar Income | 1.20 | (0.01) |
| Misc Income | 0.01 | 360.82 |
| TOTAL | 1045.39 | 1679.84 |

Note 24 - Purchases

| (Rs. in Thousands) | | |
|--------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Purchase | 377478.56 | 428597.10 |
| TOTAL | 377478.56 | 428597.10 |

Note 25 - Changes in inventories of finished goods, work in progress and stock in trade

| (Rs. in Thousands) | | |
|--|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| <u>Inventories at the end of the year:</u> | | |
| Finished goods | 0.00 | 0.00 |
| Work-in-progress | 0.00 | 0.00 |
| Stock-in-trade | 69899.33 | 84972.07 |
| | 69899.33 | 84972.07 |
| <u>Inventories at the beginning of the year:</u> | | |
| Finished goods | 0.00 | 0.00 |
| Work-in-progress | | 0.00 |
| Stock-in-trade | 84972.07 | 40057.68 |
| | 84972.07 | 40057.68 |
| | 15072.74 | (44914.39) |

Note 26 - Employee Benefit Expenses

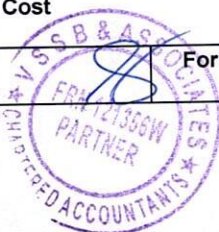
| (Rs. in Thousands) | | |
|-----------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Daily Labour Expenses | 687.56 | 670.50 |
| Director Remuneration | 300.00 | 0.00 |
| Salary Expenses | 867.50 | 293.00 |
| TOTAL | 1855.06 | 963.50 |

Note 27 - Financial Costs

| (Rs. in Thousands) | | |
|-----------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Bank Charges | 12.82 | 30.60 |
| Interest on TCS & TDS | 0.02 | 0.56 |
| TOTAL | 12.84 | 31.16 |

Note 28 - Depreciation & Amortised Cost

| (Rs. in Thousands) | | |
|--------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Depreciation | 213.50 | 247.13 |
| TOTAL | 213.50 | 247.13 |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
Notes to financial statements for the year ended March 31, 2022

Note 29 - Other Expenses

(Rs. in Thousands)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---------------------------|--------------------------------------|--------------------------------------|
| Advertisement Expenses | 7.50 | 9.00 |
| Audit Fees | 48.60 | 20.00 |
| Brokerage Expenses | 0.00 | 9.00 |
| Income Tax Expenses | 265.31 | 0.00 |
| CDSL Charges | 55.54 | 0.00 |
| Kasar Expenses | 0.00 | 6.90 |
| Legal & Professional Fees | 0.00 | 55.90 |
| Misc Exps W/off | 200.96 | 200.96 |
| NSDL Charges | 33.09 | 0.00 |
| Office Exps | 58.18 | 72.26 |
| TOTAL | 669.17 | 374.02 |

Note 30 - Earnings Per Equity Share

(Rs. in Thousands)

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| (a) Net profit after tax attributable to equity shareholders for Basic EPS | 3884.39 | 3712.78 |
| Add/Less: Adjustment relating to potential equity shares | | 0.00 |
| Net profit after tax attributable to equity shareholders for Diluted EPS | 3884.39 | 3712.78 |
| (b) Weighted average no. of equity shares outstanding during the year For Basic EPS | 8999.90 | 5000.00 |
| (c) Face Value per Equity Share (Rs.) | | |
| For Continuing Operation Basic EPS | 0.43 | 0.74 |
| Diluted EPS | 0.43 | 0.74 |
| For Discontinuing Operation Basic EPS | - | - |
| Diluted EPS | - | - |
| For Continuing & Discontinuing Operation Basic EPS | 0.43 | 0.74 |
| Diluted EPS | 0.43 | 0.74 |

Note:

The figures of the previous year have been re-arranged, re-grouped and re-classified wherever necessary.



Additional Disclosure Required to Notes to Accounts of Kenrik Industries Limited for the Year ended 31st March, 2022:

| Particulars | NUMERATOR | DENOMINATOR | As at 31-3-2022 | As at 31-3-2021 | % Variance |
|----------------------------------|---------------------------|-----------------------------|-----------------|-----------------|------------|
| Current Ratio | Current Assets | Current Liabilities | 9.90 | 2.39 | 314.87% |
| Debt-Equity Ratio | Total debt | Shareholders Equity | 0.01 | 0.02 | -34.69% |
| Debt Service Coverage Ratio | Earning Available to Debt | Debt Service | 0.00 | 0.00 | 0.00% |
| Return on equity ratio | Net profit less pref div | Average Shareholders Equity | 4.59% | 6.54% | -1.95% |
| Inventory Turnover Ratio | COGS | Average Inventory | 5.07 | 6.14 | -17.40% |
| Trade Receivables Turnover Ratio | Net Credit Sales | Average Accounts Receivable | 14.06 | 20.30 | -30.72% |
| Trade payables Turnover Ratio | Net Credit Purchase | Average Trade Payables | 14.48 | 15.04 | -3.73% |
| Net Capital Turnover Ratio | Net Sales | Average working capital | 4.69 | 6.84 | -31.35% |
| Net Profit Ratio | Net Profit after Tax | Net Sales | 0.97% | 0.96% | 0.02% |
| Return on Capital Employed | EBIT | Capital Employed | 4.68% | 8.34% | -3.66% |

Additional Disclosure of Current liabilities : Trade Payables (Part of Note: 10)

(Rs. in Thousands)

| Outstanding For Following Periods From Due Date Of Payment- As at 31.03.2022 | | | | | Total |
|--|------------------|-----------|-----------|-------------------|----------|
| Particulars | less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Others | 9520.59 | 1373.41 | 0.00 | 0.00 | 10893.99 |
| Disputed Dues-MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Dues-Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Outstanding For Following Periods From Due Date Of Payment-As at 31.03.2021

| Particulars | less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|----------------------|------------------|-----------|-----------|-------------------|----------|
| MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Others | 0.00 | 41245.48 | 0.00 | 0.00 | 41245.48 |
| Disputed Dues-MSME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Dues-Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Additional Disclosure of Trade Receivables (Part of Note: 15)

(Rs. in Thousands)

| Outstanding For Following Periods From Due Date Of Payment - 31.03.2022 | | | | | Total |
|---|--------------------|------------------|-----------|-----------|-------------------|
| Particulars | Less than 6 Months | 6 Months- 1 Year | 1-2 Years | 2-3 Years | More than 3 Years |
| Undisputed Trade Receivables-Considered Good | 26551.54 | 0.00 | 15594.44 | 0.00 | 42145.98 |
| Undisputed Trade Receivables-Considered Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Trade Receivables-Considered Good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Trade Receivables-Considered Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Outstanding For Following Periods From Due Date Of Payment - 31.03.2021 | | | | | Total |
|---|--------------------|------------------|-----------|-----------|-------------------|
| Particulars | Less than 6 Months | 6 Months- 1 Year | 1-2 Years | 2-3 Years | More than 3 Years |
| Undisputed Trade Receivables-Considered Good | 0.00 | 14683.50 | 0.00 | 0.00 | 14683.50 |
| Undisputed Trade Receivables-Considered Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Trade Receivables-Considered Good | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disputed Trade Receivables-Considered Doubtful | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



Kenrik Industries Limited
(Formerly Known as Kenrik Industries Private Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Thousands)

| Particulars | Year ended 31st March, 2022 Rs. | | Year ended 31st March, 2021 Rs. | |
|---|---------------------------------------|------------|---------------------------------------|-----------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before Tax for the year | | 5249.17 | | 5003.88 |
| Adjustments for : | | | | |
| Depreciation | 213.50 | | 247.13 | |
| Transfer to Reserve | (48.67) | | 227.67 | |
| | | 164.83 | | 474.80 |
| Operating Profit before Working Capital change | | 5414.00 | | 5478.68 |
| Adjustments for : | | | | |
| Decrease/(Increase) in Receivables | (27462.48) | | 8930.23 | |
| Decrease/(Increase) in Loans & Advances | (3715.03) | | 6244.19 | |
| Decrease/(Increase) in Inventories | 15072.74 | | (44914.39) | |
| Decrease/(Increase) in Other Current Assets | (6076.38) | | 479.69 | |
| Increase/(Decrease) in Payables | (30351.49) | | 25497.23 | |
| Increase/(Decrease) in Current Liabilities | 34.00 | | 494.64 | |
| Increase/(Decrease) in Provisions | 241.58 | (52257.05) | (1052.33) | (4320.74) |
| Cash Generated From Operations | | (46843.05) | | 1157.94 |
| Income Tax | | 1368.67 | | 1301.01 |
| NET CASH FROM OPERATING ACTIVITIES Total (A) | | (48211.71) | | (143.07) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Fixed Asset Purchase/sale | (141.10) | | 0.00 | |
| Non Current Assets Sold | 0.00 | | 0.00 | |
| Interest Received | 0.00 | | 0.00 | |
| NET CASH USED IN INVESTING ACTIVITIES Total (B) | | (141.10) | | 0.00 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Long Term Borrowing | 300.00 | | 150.00 | |
| Security Premium Received | 7999.80 | | 0.00 | |
| Increase in Share Capital | 39999.00 | | 0.00 | |
| NET CASH FROM FINANCING ACTIVITIES Total (C) | | 48298.80 | | 150.00 |
| Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C) | | (54.01) | | 6.93 |
| Cash and Cash Equivalents -- Opening Balance | | 169.00 | | 162.07 |
| Cash and Cash Equivalents -- Closing Balance | | 114.99 | | 169.00 |
| | | 0.00 | | 0.00 |

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our separate report of even date
See accompanying notes to the financial statements
For, **V S S B & Associates**
Chartered Accountants
Firm No.121356W

Shridhar
(Shridhar Shah)
Partner
M. No. 138132
UDIN : 22138132AYMXRD5763
Place : Ahmedabad
Date : 3rd September, 2022



**For & on behalf of the Board,
Kenrik Industries Limited**

Nitin D Shah
Nitin D Shah
Managing Director
(DIN: 07715360)

Kiran
Kiran Prajapati
Company Secretary
Place: Ahmedabad
Date: 3rd September, 2022

Shivangi B G
Shivangi B G
Director
(DIN: 07247790)

Nihar N Shah
Nihar N Shah- CFO
(DIN: 07714540)



09

KENRIK INDUSTRIES LIMITED

NOTE: 1.1 – SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These Policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Corporate Information

Kenrik Industries Limited is a Public Company (Unlisted) domiciled in India having CIN: U36101GJ2017PLC095995. The registered office of the company is located at 171/FF/9, Bhawani Chambers Hathi Khana Ahmedabad 380001. The Company is engaged in the business of Trading of Jewelry products.

(ii) Basis Of Preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principal generally accepted in India.

(iii) Basis of Measurement

These financial statements prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by Ind AS. The fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between the market participant at the measurement date.

The Financial Statements have been presented in Indian Rupees (INR), which is also the company's function currency. All values are rounded off to the nearest rupees, unless otherwise indicated.

(iv) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of net of



returns, trade allowances, rebates, value added taxes, goods and service tax and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement.

Revenue is reduced for rebates and other similar allowances.

Revenue is recognized by the Company significant risk and rewards pertaining to ownership of goods get transferred from Seller to buyer.

Revenue from services is recognized as and when services are rendered taking into account contractual terms.

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

(v) Use of Estimates

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that due provide additional evidence about conditions existing as at the reporting date.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets



including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(vi) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(vii) Property, Plant and Equipment (PPE)

All items of property, plant and equipment are stated at historical cost of acquisition/construction (net of recoverable taxes) less accumulated depreciation and impairment losses, if any.

Freehold land is carried at historical cost.

Subsequent costs are included in asset's carrying amount or recognized at a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Historical cost includes expenditure that is directly attributable to the acquisition as well as construction/installation of the items. Rehabilitation and resettlement expenses incurred after initial acquisition of the assets are expensed to profit or loss in the year in which they are incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital Work-in-progress includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned.



An item of property, plant or equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognized in the statement of profit and loss.

Depreciation on Property, Plant & Equity (PPE) is provided in the manner prescribed in Schedule II to the Companies Act, 2013 read with relevant circulars issued by the Department of Company Affairs. Depreciation on assets acquired/disposed off during the year is provided on pro-rata basis.

(viii) Provisions, contingent liabilities and contingent assets

Provisions are recognised at present value 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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provisions are not recognised for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The measurement of provision for restructuring includes only direct expenditure arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

(ix) Off Setting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognized amount and there is intention either to settle on net basis or to realize the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the



normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

(x) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(xi) Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(xii) Trade and Other Payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

(xiii) Related Party Disclosure:

• Directors & Key Managerial Personnel:-

| Sr No | Name of KMP | Designation |
|-------|-------------------|-------------------|
| 1 | Shivangi B Gajjar | Director |
| 2 | Nihar N Shah | Director & CFO |
| 3 | Nitin D Shah | Managing Director |
| 4 | Akshay H Soni | Director |
| 5 | Kiran N Prajapati | Company Secretary |



- Mr Mayank Agrawal was resigned from the post of company secretary as on 13th January, 2022 & Mrs Kiran N Prajapati appointed as a Company Secretary of the company from 13th January, 2022.

• **Entities Over Which Parties Listed in Mentioned Above Exercise Control:-**

| Sr No | Name of Entity | Details of Person having Control |
|-------|-------------------------------|--|
| 1 | Franklin Industries Limited | Shivangi B Gajjar is a director. |
| 2 | Bright Solar Limited | |
| 3 | A N N Capital Finance Pvt Ltd | Mr Nihar N Shah & Mr Nitin D Shah are director of the company. |
| 4 | Tine Agro Limited | Mr Akshay H Soni is a director. |

• **Related Parties Transactions:-**

| Sr No | Nature of Transactions | Name of Related Party | Amount (In Rs) |
|-------|------------------------|-------------------------|----------------|
| 1 | Purchase of Goods | Franklin Industries Ltd | 7,63,37,457 |
| 2 | Sale of Goods | Franklin Industries Ltd | 7,58,43,457 |
| 3 | Remuneration | Nitin D Shah | 3,00,000 |

(xiv) **Auditor's Remuneration:**

| Particulars | 2021-22 | 2020-21 |
|-------------|---------|---------|
| Audit Fees | 48,600 | 20,000 |

- (xv) In the opinion of the board of Directors, Current Assets, Loans and Advances a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.

(xvi) **Investment & Financial Assets**

(a) **Classification**

The Group classifies its financial assets in the measurement categories:

- * Those to be measured subsequently at fair value, and
- * Those measured at amortised cost.



The Classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss. For investment in equity instruments, this will depend on whether group has made an irrecoverable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- i) The Company has transferred substantially all the risks and rewards of the asset, or
- ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



(c) Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

A. Financial assets measured at amortized cost B. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- A. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- B. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance for trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit



and loss. The balance sheet presentation for various financial instruments is described below:

- A. Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- B. Financial assets measured at FVOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(xvii) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequently, all financial liabilities are measured at amortised cost or at fair value through profit or loss. The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts.

b) Subsequent measurement

- A. Financial liabilities measured at amortised cost
- B. Financial liabilities subsequently measured at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are



recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(xviii) Fair Value

The Company measures certain financial instruments at fair value at each balance sheet date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- A. In the principal market for the asset or liability, or
- B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.



B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarizes the accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

(xix) Details of Foreign Exchanges Earnings and Out Go:-

| Sr No | Particulars | 31 st March, 2022 | 31 st March, 2021 |
|-------|--------------------------|------------------------------|------------------------------|
| 1 | Foreign Exchange Earning | - | - |
| 2 | Foreign Exchange Out Go | - | - |

Details of foreign exchange mentioned above are certified and provided by the Management of the company.

(xx) As certified by the company that it was received written representation from all the directors, that companies in which they are directors had not defaulted in terms of section 164(2) of the companies Act, 2013, and the representation from directors taken in Board that Director is disqualified from being appointed as Director of the company.

(xxi) Contributed Equity

Equity shares are classified as equity.

(a) Earnings per Share

Basic earnings per share is calculated by dividing:
-the profit attributable to the owners group



-by the weighted average number of equities shares outstanding during the year.

(b) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

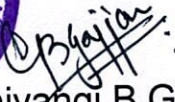
For and on behalf of the board of
directors

As per our attached report of even
date


For, Kenrik Industries Limited

For, V S S B & Associates
Chartered Accountants
Firm No. 121356W



Nitin D Shah
Managing Director
(DIN: 07715360)


Shivangi B Gajjar
Director
(DIN: 07243790)


Kiran Prajapati
Company Secretary


Nihar Shah
CFO




(Shridhar Shah)
(Partner)
M No:-138132
UDIN: 22138132AYMXRD5763

Place: Ahmedabad
Date : 3rd September, 2022