



KPL INTERNATIONAL LIMITED
chemistry of partnerships

ANNUAL REPORT

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KPL INTERNATIONAL LIMITED

chemistry of partnerships

BOARD OF DIRECTORS

R. V. KANORIA, Chairman
S. V. KANORIA
A. V. KANORIA
VAIDEHI KANORIA
VIDYANIDHI DALMIA, Independent Director
VINAY KUMAR BAGLA, Independent Director
SURINDER KUMAR KAK, Managing Director

AUDITORS

J K V S & Co.
Chartered Accountants
New Delhi

BANKERS

HDFC Bank Ltd.
Vatika Atrium, Block A,
Sector- 53, Gurugram 122002
Yes Bank Ltd.,
D-12, South Extension,
Part - II, New Delhi- 110049

REGISTERED OFFICE

212A, 216 & 222, 2nd Floor,
Indraprakash Building
21, Barakhamba Road
New Delhi - 110 001
CIN: U23209DL1974PLC029068
Phone: +91 11 43579200
Fax: +91 11 23717203

CORPORATE OFFICE

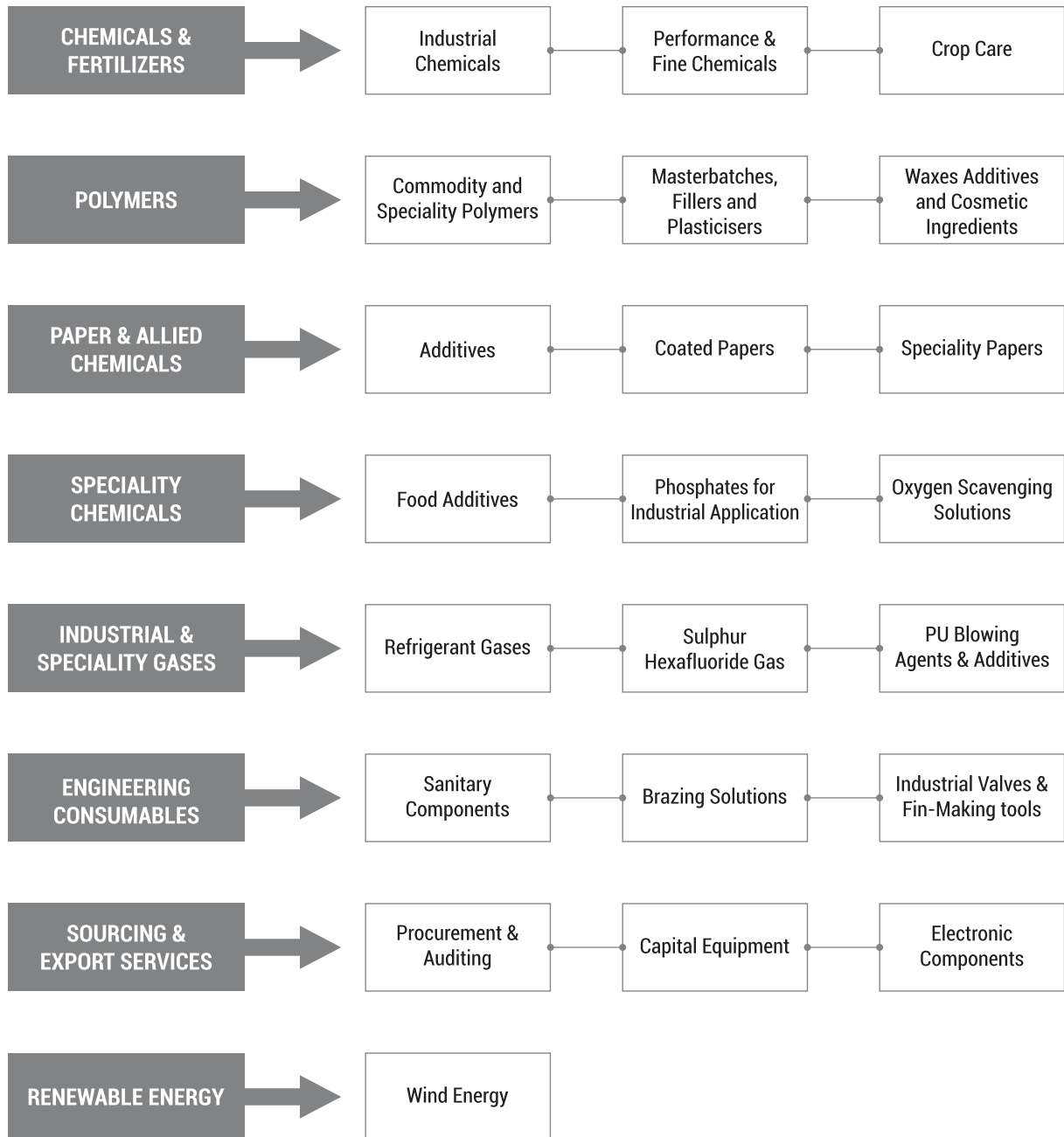
201-211, 2nd Floor,
Indraprakash Building,
21, Barakhamba Road,
New Delhi - 110 001
Phone: +91 11 43606200
Fax: +91 11 23355824
Email: info@kplintl.com
Website: www.kplintl.com

REGISTRAR & SHARE TRANSFER AGENT

RCMC Share Registry Private Limited
B-25/1, 1st Floor
Okhla Industrial Area, Phase - II
New Delhi - 110 020
Phone: +91 11 26387320
Fax: +91 11 26387322
Email: shares@rcmcdelhi.com

KPL INTERNATIONAL LIMITED

Business Portfolio



KPL International Limited (KPL) specializes in the marketing of quality products in India, such as chemicals, polymers, paper and paper chemicals, industrial gases and allied products sourced from globally acclaimed manufacturers. ISO 9001 quality certification and process specialization in marketing, distribution and sourcing enables KPL to represent 50+ global giants and over 5,000+ customers that includes many of the finest Indian business houses. KPL provides a basket of services and end-to-end solutions to customers. For successive years, KPL has been ranked in the list of ICIS Global Top 100 chemical distributors.

KPL continues to grow in a variety of market segments by responding to the fast- changing needs of its customers with unrivalled customer service and satisfaction. It operates on a SAP ERP platform that helps the company in accessing critical business information in real time and managing this information as per global standards.

KPL has sold its 'Avongrove Tea Estate' division on 'as is where is' on a going concern basis by way of slump sale at a value of Rs. 650 lakhs as part of its restructuring and to focus on core business activities.

The Industrial Gas Division of KPL has facility of 134A gas refilling plant at Ankleshwar in the state of Gujarat. The company also has facility of SF6 bottling plant in technical collaboration with Solvay fluor GmbH, Germany, this brings in operational efficiency to service our power sector customers. KPL also has access to the R&D facilities of Group Company, Kanoria Chemicals & Industries Limited at Ankleshwar.

In recent years, the Company has keenly looked at the renewable energy sector. KPL presently has a generation capacity of 15.35 MW wind turbine electrical power, thereby becoming carbon neutral in its energy consumption.

Headquartered in Delhi; KPL has regional offices at Mumbai, Chennai and Kolkata, as well as an office in Bengaluru in India; and international offices in Shanghai (China), Dhaka (Bangladesh) and Dubai. It also has warehousing facilities in major Indian cities (Sonapat, Palwal, Mumbai, Chennai, Ludhiana, Ankleshwar, Vapi and Kolkata).

DIRECTOR'S REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 48th Annual Report together with the Audited Annual Accounts of the Company for the year ended on 31st March, 2022.

FINANCIAL HIGHLIGHTS

During the year under review, the profit after tax was Rs. 4,814.32 Lacs as against Rs. 1,260.15 Lacs in the previous year.

WORKING RESULTS

	(Rs. In Lacs)
Profit before Interest, Depreciation & Tax	7,597.06
Less: Finance Cost	220.93
Depreciation & Amortization	936.52
Provision for Taxation (Including Deferred Tax)	<u>1,625.29</u>
Profit for the year	4,814.32
Add: Balance at the beginning of the year	<u>7,655.92</u>
Balance at the end of the year	<u>12,470.24</u>

OPERATIONAL REVIEW

With its deep understanding of Indian and International markets and its process specialization in marketing, distribution and sourcing, the Company continues to nurture and deepen its relationships and capitalise upon its strength across all segments of its activities. The Company's commitment to service excellence enables it to maintain its position as one of the top Indenting and Distribution Companies in India for Chemicals and Polymers. KPL takes pride in informing that it was ranked 90th globally in the ICIS Top Chemical Distributor Listing and was ranked 21st within Asia.

The Company has a diverse basket of products and services and is agile and responsive to the fast- changing needs of its customers. It is ISO 9001:2015 certified and operates on a SAP ERP platform that helps the company in managing information as per global standards.

The Revenue from Operations during the year was Rs. 52,941.01 Lacs as against Rs. 38,716.88 Lacs in the previous year. The revenue from operations includes the income from commission of Rs. 1,853.73 Lacs as against Rs. 1,373.40 Lacs in the previous year and income from Wind Turbine power of Rs. 1,647.36 Lacs as against Rs. 1,190.46 Lacs in the previous year. Despite logistic challenges there was substantial improvement in operational performance of the Company during the year marked by increase in demand of chemicals and resultant improvement in sales realisation.

DIVIDEND

The board has not recommended any Dividend during the period ended 31st March, 2022.

TRANSFER TO RESERVES

Your Company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2022.

MATERIAL CHANGES AND COMMITMENTS

The material changes and commitments which have occurred between the end of the financial year of the Company and the date of this report are as under:

SCHEME OF AMALGAMATION

With a view to simplify the corporate structure, the Company had filed an application for amalgamation u/s 230 to 232

of the Companies Act, 2013, for the merger of its Holding Company, Vardhan Finvest Limited (Transferor Company) in to the Company (Transferee Company), to be effective from 1st April, 2021.

The National Company Law Tribunal (NCLT), Kolkata has approved the scheme of amalgamation vide its order dated 24th March, 2022 with appointed date as 01.04.2021 subject to approval of the Scheme by the NCLT Delhi.

The application is under advanced stage and approval of the National Company Law Tribunal (NCLT), Delhi is expected in the financial year 2022-23.

SALE OF AVONGROVE TEA ESTATE

The Company has sold its 'Avongrove Tea Estate' division situated at P.O. Nagrispur, P.S. Sukhiapolkhri, Darjeeling to JPR Bhumi Developers on 'as is where is' on a going concern basis by way of slump sale at a mutually negotiated lump sum consideration of Rs. 650 lacs as part of its restructuring and to focus on core business activities.

INVESTMENT IN FYTOMAX NUTRITION PRIVATE LIMITED

The Company has been exploring new business opportunities after the sale of its tea garden during the financial year. The Company has received a proposal to invest in the company namely Fytomax Nutrition Private Limited (FNPL) which intends to start manufacturing Soy Protein Isolate (SPI). FNPL is going to commission a commercial plant with an installed capacity of 20 MT/day of SPI and expects to commence operation in the year 2023 by deploying a differentiated technology for improved protein extraction efficiency and quality. Mr. Saumya Vardhan Kanoria who is a director in the Company is also one of the shareholder and promoter/director of FNPL.

Based on the draft project report received from FNPL, the Company has found the said investment proposal profitable for the company in the long run and it will further strengthen & diversify its business operations. Initially, the Company has invested in 15,00,000 equity shares of Rs. 10/- each for a total consideration of Rs. 1,50,00,000/- (One Crore Fifty Lakhs) in July, 2022. The total amount of investment of the Company will be Rs. 45 crores (approximately) in the said project.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rajya Vardhan Kanoria and Mr. Anand Vardhan Kanoria, Directors of the Company, retiring by rotation, at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Mr. Rohit Mundra (DIN: 00092293) has resigned from the post of Directorship with effect from 28th February 2022 due to personal and unavoidable circumstances. Mr. Vidyanidhi Dalmia is having MBA Degree from University of Virginia's renowned Darden School of Business. He has vast experience in corporate affairs and government relations & strategy. The Board considers that his association would be of immense benefit to the Company.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, by passing a Board resolution on 17th March 2022, appointed Mr. Vidyanidhi Dalmia as an Additional Director of the Company in the capacity of Independent Director, not liable to retire by rotation, for a period of 5 consecutive years with effect from 17th March 2022, subject to the approval of the shareholders.

Mr. Vidyanidhi Dalmia has given his consent to act as Director and also declared that he is eligible for appointment as Director and meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 ("Act").

In the opinion of the Board, Mr. Vidyanidhi Dalmia fulfill the conditions for appointment as Independent Director as specified in the said Act and that he is independent of the Management.

The Company has also received notices in writing from shareholders under Section 160 of the Companies Act, 2013, proposing appointment of Mr. Vidyanidhi Dalmia, as an Independent Director of the Company.

As per Section 161 of the Companies Act, 2013, Mr. Vidyanidhi Dalmia, hold office as an Additional Director in the capacity of Independent Director up to the date of the ensuing Annual General Meeting. The necessary resolutions for his appointment as Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) consecutive years with effect from 17th March, 2022, will be placed at the ensuing Annual General Meeting for the approval of the shareholders. The Board of Directors recommends appointment of Mr. Vidyanidhi Dalmia as an Independent Director in the interest of the Company.

The Board confirms that it has the required number of Independent Directors as envisaged under section 149(4) of the Companies Act 2013 and that all the Independent Directors have filed the requisite declarations with the Company as per Section 149(7) of the said Act confirming that they meet with the criteria of Independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

On the recommendation of Nomination & Remuneration Committee, Mr. Manoj Kumar Verma was appointed as the Chief Financial Officer of the Company with effect from 1st November, 2021

MEETINGS OF BOARD OF DIRECTORS

During the year 2021-22, the Company held seven meetings of the Board of Directors on 06th July, 2021, 27th September, 2021, 01st November, 2021, 21st December, 2021, 02nd February, 2022, 17th March, 2022 and 29th March, 2022.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of Mr. Vidyanidhi Dalmia and Mr. Vinay Kumar Bagla as Independent Directors and Mr. R. V. Kanoria, Director of the Company. The Committee's constitution, terms of reference and role is in compliance with the provisions of Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of Mr. Vidyanidhi Dalmia and Mr. Vinay Kumar Bagla as Independent Directors and Mr. R. V. Kanoria, Director of the Company. The Committee's constitution, terms of reference and role is in compliance with the provisions of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Company comprises of Mr. Surinder Kumar Kak, Managing Director, Mrs. Vaidehi Kanoria, Director and Mr. Vinay Kumar Bagla, Independent Director of the Company. The Committee's constitution, terms of reference and role is in compliance with the provisions of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY

In terms of provisions of Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, the Company has undertaken CSR activities, as per Annexure – I forming part of this report.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year the Company has not given any loans or guarantees or made any investment (other than in the units of mutual fund and Alternative Investment Fund II) as per the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with related parties during the financial year were at arm's length basis and in the Company's ordinary course of business. None of the transactions with any of the related parties were in conflict with the Company's interest.

STATUTORY AUDITORS & THEIR REPORT

M/s JKVS & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held on 29th September, 2020 for a period of 5 years on the recommendation of the Audit Committee and the Board of Directors. The observations made by the Auditors of the Company in their report are in the nature of general disclosures and are self-explanatory

SECRETARIAL AUDITORS & THEIR REPORT

The Board has appointed M/s Kavita Srivastava & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed herewith marked as Annexure III to this report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

SIGNIFICANT AND MATERIAL ORDERS

No orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operation in future.

RISK MANAGEMENT

The Company assesses the significant risks that might impact the achievement of the Company's objectives and develops risk management strategies to mitigate/minimize identified risks and designs appropriate risk management procedure.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with respect to financial statements. The policies and procedures adopted by the Company ensure prevention and detection of frauds and errors, accuracy and completeness of the records and timely preparation of reliable financial statements. No reportable material weakness in the design or operation was observed during the year.

ANNUAL RETURN

The copy of Annual Return as required under Section 92(3) of the Companies Act 2013 has been placed on the website of the Company. The web-link as required under the said Act is as under:

<http://www.kplintl.com/investors.html>

VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of Companies Act, 2013, the company has in place a Whistle Blower Policy for its Directors and Employees to report genuine concerns or grievances. The reportable matters may be reported to the Audit Committee through the Nodal Officer and in exceptional cases, may also be reported to the Chairman of Audit Committee. The confidentiality of those reporting violations is maintained, and they are not subject to any discriminatory practice. During the year under review, no employee was denied access to Audit Committee.

The Whistle Blower Policy may be accessed on the Company's website at the link:

<http://www.kplintl.com/images/Whistler-blower-policy-2021.pdf>

DIRECTORS RESPONSIBILITY STATEMENT

A statement of Director's Responsibility as prescribed under Section 134 of the Companies Act, 2013 is given below:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

The Company had not accepted any deposits from the public during the year and there was no sum remaining unpaid and unclaimed at the end of the year.

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

The Company has a policy for the prevention of sexual harassment As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder and during the year under review, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

As required under Section 134 of the Companies Act, 2013 and the rules framed thereunder, the statement containing necessary information in respect of conservation of energy, technology absorption, foreign exchange and outgo is provided as Annexure II to this report.

QUALITY MANAGEMENT SYSTEM

The Company is effectively maintaining the Quality system as per the requirements of ISO 9001:2015, Certificate of Registration for which was granted by INTERTEK Quality Registrar.

ACKNOWLEDGMENT

Your Directors take this opportunity to thank the Company's suppliers, principals, customers, employees, bankers, and investors for their continued and unstinted support.

Registered office:

212A, 216 & 222, 2nd Floor,
'Indraprakash'
21, Barakhamba Road,
New Delhi 110 001

Date: 23rd August, 2022

For and on behalf of the Board

R. V. Kanoria
Chairman
DIN: 00003792

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs undertaken/ proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

In accordance with the provisions of the Companies Act, 2013, as amended read with the Notification issued by the Ministry of Corporate Affairs dated the 22nd of January, 2021 and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the said Act. CSR Initiatives taken by the Company during the year includes women empowerment and promotion of vocational skills as well as promotion of education. This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the society. The Company's revised CSR policy is placed on its website and the web-link for the same is <http://www.kplintl.com/images/CSR-Policy-2021.pdf>

2. Composition of CSR Committee

S. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Vinay Kumar Bagla	Independent Director	4	4
2	Shri Surinder Kumar Kak	Managing Director	4	4
3	Smt. Vaidehi Kanoria	Director	4	4

3. CSR Policy of the Company is available on the Company's website:

(<http://www.kplintl.com/images/CSR-Policy-2021.pdf>)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1		NA	
2			
	Total		

- 6. Average Net Profit of the company as per section 135(5)** Rs. 23,52,64,496
- 7. (a) Two percent of average net profit of the company as per section 135(5)** Rs. 47,05,290/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years** NA
- (c) Amount required to be set off for the financial year, if any** NA
- (d) Total CSR obligation for the financial year (7a+7b-7c)** Rs. 47,05,290/-

8. (a) CSR amount spent or unspent for the financial year.

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
45,29,942	1,75,392	25.04.2022	NA		

(b) Details of CSR amount spent against ongoing projects for the financial year.

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current Financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	Training & Employment as Sewing Machine Operator & Quality Assistant	Skilling women as Sewing Machine Operator	Yes	New Delhi	Delhi	9 Months	18,12,444	16,37,052	1,75,392	NO	Sambhava Foundation	CSR00010112
			Total			18,12,444	16,37,052	1,75,392				

9. (a) Details of Unspent CSR amount for the preceding three Financial Years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of Transfer	
1	2020-21	4,68,000	39,91,337	Not applicable			Nil
2	2019-20	NA	33,59,835				Nil
3	2018-19	NA	33,33,352				Nil

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year:

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project - Completed /Ongoing
1	FY31.03.2021_2	Remedial Classes	2020-21	6 Months	15,60,000	4,68,000	15,60,000	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not applicable

Registered office:

212A, 216 & 222, 2nd Floor,
'Indraprakash'
21, Barakhamba Road,
New Delhi 110 001

Date: 23rd August, 2022

For and on behalf of the Board,

R. V. Kanoria
Chairman
DIN: 00003792

Surinder Kumar Kak
Managing Director &
Chairman CSR Committee
DIN: 00044521

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE,
EARNING AND OUTGO ARE:**

Information on conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

- | | | |
|---|---|--|
| (i) the steps taken or impact on conservation of energy | : | The Company has opted for the use of Liquefied Petroleum Gas in place of coal for Drying of leaves, which resulted in saving in conventional energy. |
| (ii) the steps taken by the Company for utilizing alternate sources of energy | : | NIL |
| (iii) the capital investment on energy conservation equipments | : | NIL |

(B) Technology Absorption

- | | | |
|---|---|-----|
| (i) The efforts made towards technology absorption | : | |
| (ii) The benefits derived like product improvement, cost reduction, product development or import substitution | : | NIL |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | : | NIL |
| a) The details of Technology imported | : | NIL |
| b) The year of import | : | NIL |
| c) Whether the technology been fully absorbed | : | NIL |
| d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : | NIL |
| (iv) The expenditure incurred on Research and Development | : | NIL |

- | | | |
|--|---|---|
| (C) Foreign Exchange Earnings and Outgo | : | The Foreign Exchange Earnings and Outgo are given in Note No. 28.07 and 28.08 in Other Notes to Accounts. |
|--|---|---|

For and on behalf of the Board

Place : New Delhi
Date : 23rd August, 2022

R. V. Kanoria
Chairman
DIN: 00003792

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March, 2022

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

To,
The Members,
KPL International Limited
212A, 216 & 222, 2nd Floor
Indraprakash, 21, Barakhamba Road
New Delhi – 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KPL International Limited (hereinafter called "the Company") (CIN: U23209DL1974PLC029068) for the year ended 31st March 2022 ('Period under Review') in terms of Audit Engagement letter dated 7th July 2021. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the period under review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - Not Applicable to the Company during the Audit Period;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

Not Applicable to the Company during the Audit Period as the Company is an unlisted Public Company.

(vi) The Company has identified the following laws as specifically applicable to the Company in respect of which, the Company holds the valid licenses and/or certificate of registration during the audit period:

1. Food Safety and Standard Act, 2006 and rules made thereunder;
2. Gas Cylinder Rules 2004;
3. Indian Explosives Act 1884;
4. Static & Mobile Pressure Vessel (Unfired) Rules, 1981

In respect of other laws specifically applicable to the Company, we have relied on the information/records produced by the Company during the course of our audit and the reporting is limited to that extent only.

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

- (i) Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the stock exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if applicable: **Not Applicable to the Company during the Audit Period as the Company is an unlisted Public Company.**

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

We further report that -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2022. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings and agenda & detailed notes on Agenda were sent at least seven days in advance for meetings other than those held at shorter notice, if any. As explained by the management, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- On the basis of Minutes of Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there were no dissenting members' views and hence, no recording was done in this regard as part of the minutes.

We further report that -

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion & on review of compliance mechanism established by the Company and on the basis of certificate issued by officers of the Company, we are of the opinion that the management has adequate system and process commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines & general laws like various labour laws, competition law, environmental laws, etc.

We further report that -

The Compliance by the Company of applicable labour laws, financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that during the Audit Period, the Company has not incurred any specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. Scheme of Amalgamation of Vardhan Finvest Limited with KPL International Limited has been approved by Hon'ble National Company Law Tribunal (NCLT), Kolkata and the same is pending before National Company Law Tribunal (NCLT), Delhi.
2. The Company has sold its 'Avongrove Tea Estate' division situated at P.O. Nagrispur, P.S. Sukhiapolkhri, Darjeeling to JPR Bhumi Developers on 'as is where is' on a going concern basis by way of slump sale

Note: This Report is to be read with our letter of above date which is annexed as Annexure A and forms an integral part of this report.

For Kavita Srivastava & Associates

(CS Kavita Srivastava)

Practicing Company Secretary

M. No.: F6260

C. P. No.: 9393

UDIN: F006260D000824055

Unique Code I2010UP766400

Place : New Delhi
Date : Aug 23, 2022

"ANNEXURE A"

To,

The Members,
KPL International Limited
(CIN: U23209DL1974PLC029068)
212A, 216 & 222, 2nd Floor
Indraprakash, 21, Barakhamba Road
New Delhi – 110001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. We have conducted online and physical verification & examination of records, as facilitated by the Company, due to Covid-19 for the purpose of issuing this Report.
4. We have not verified the correctness and appropriateness of financial records, taxation compliance and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Kavita Srivastava & Associates

(CS Kavita Srivastava)

Practicing Company Secretary

M. No.: F6260

C. P. No.: 9393

UDIN: F006260D000824055

Unique Code I2010UP766400

Place : New Delhi
Date : Aug 23, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of KPL International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **KPL International Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 st, 2022, its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the financial statements.

Key Audit Matters

Reporting of Key audit matters are not applicable being unlisted entity.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion & Analysis and Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

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

Auditor's Responsibility for the Audit of Financial Statement

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 scepticism 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 Act, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches/depots not visited by us.
 - 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 and with the returns received from the branches/depots not visited by us.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 B".
 - g. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer Note No. 27.01(c)** to the Financial Statements;
 - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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;
b. The management has represented, that no funds have been received by the Company from any persons or entities, 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
c. There are nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. The Company has not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.

For **JKVS & CO.**
Chartered Accountants
Firm Registration No. 318086E

Sajal Goyal
Partner
Membership No. 523903
UDIN: 22523903APPIUM7844

Place : New Delhi
Date : August 23, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KPL International Limited of even date)

- i. In respect of the Company's Property, Plant and Equipment and Intangible Asset:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible Assets.
 - b. The company has a phased programme of physical verification of its Property, Plant & Equipment which in our opinion, is reasonable having regard to the size of the company and the nature of its Property, Plant & Equipment. Management has physically verified Property, Plant and Equipment during the year and as informed to us, no material discrepancies were noticed as compared to books of accounts.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no revaluation of Property, Plant and Equipment and Intangible Asset.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated or are pending against the company for holding Benami Property under the "Benami Property (Prohibition) Act, 1988 or rules made thereunder.
- ii. In respect of the Company's Inventory and Working Capital Limit:
 - a. As explained to us, inventories (except stock in transit) were physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on such Physical verification.
 - b. During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from HDFC bank on the basis of security of current assets. No material discrepancies were found between the amount of current assets statement consisting of Inventory, Trade receivables and Trade payables filed with banks, as compared with books of accounts. As per regular practice followed by the company, the stock in transit and corresponding trade payables thereof having identical value are not incorporated in such statement.
- iii. During the year, the Company has not made any investment in firms, limited liability partnership or any other parties except investment in a mutual fund and alternate investment which is not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.
- iv. According to the information and explanation given to us, the company has not given any loans, made investments, given guarantee or securities during the year under the provisions of section 185 and 186, therefore provision of clause 3 (iv) of the order is not applicable to company.
- v. The Company has not accepted any deposits from the public within the meaning of directives issued by Reserve bank of India and hence provisions of sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder with regard to the deposits accepted from the public are not applicable to the company.
- vi. Rules made by the central government for the maintenance of cost records under sub-section (1) of section 148 of the Act are not applicable to the company.
- vii. a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax wealth tax, duty of customs, value added tax, cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year-end for a period of more than six months from the date they became payable.

- b. There are dues referred to in sub-clause (a) above have not been deposited on account of disputes as stated below.

NATURE OF DUES	Amount Involved (Rs. In lakhs)	Amount Paid (Rs. In lakhs)	Forum where the dispute is pending	Period
Income Tax	52.69	19.97	Commissioner of Income Tax (Appeals)	A.Y 2013-14
	64.98	33.62	Commissioner of Income Tax (Appeals)	A.Y 2014-15
	39.15	-	Commissioner of Income Tax (Appeals)	A.Y 2017-18
	3.22	-	Commissioner of Income Tax (Appeals)	A.Y 2018-19
Sales Tax (including penalty Rs. 5.21 Lakhs)	65.57	-	Additional Commissioner, Delhi	2015-16
	4.55	0.50	Additional Commissioner, Delhi	2011-12
	2.28	-	Additional Commissioner, Delhi	2016-17
	9.98	3.88	Joint Commissioner of Sales Tax, Thane	2015-16
	18.54	6.56	Joint Commissioner of Sales Tax, Thane	2016-17
	101.62	3.20	Joint Commissioner of Sales Tax, Thane	2017-18

- viii. According to the information and explanation given to us, there were no transactions which have not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.
- ix. a. The Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to any lender.
b. The company has not been declared wilful defaulter by any bank or financial institution or other lenders
c. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
d. On an overall examination of financial statements of the Company, no funds raised on short-term basis has been used for long-term purposes by the Company.
e. The company has not taken any funds from any entities or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
f. The company has not raised loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associates companies.
- x. a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) 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. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- ix. a. Based on our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud by the company or on the company by its officer/employees, has been noticed or reported during the year.
b. We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Companies Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c. As reported to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company and hence reporting under clause 3 (xii) of the order is not applicable to the Company.

- xiii. All transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standard.
- xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
b. We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him, therefore provisions of this clause are not applicable to the Company.
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
d. According to the representations given by the management, the company has no CIC as part of the Group.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and 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 the 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. a. The company has no unspent amount in respect of other than ongoing project, which require to be transferred to a fund specified in schedule 7 to the Companies act within a period of six month of the expiry of the financial year in compliance with II proviso to sub-section (5) Section 135.
b. The company has ongoing projects and Rs. 1.75 lakhs of unspent remaining amount under section (5) of the section 135 of the Companies act required to be transferred to special account in compliance with provision of sub-section (6) of section 135 of the said Act.
- xxi. The Company does not have subsidiary, associate or joint venture. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the Company.

For **JKVS & CO.**
Chartered Accountants
Firm Registration No. 318086E

Sajal Goyal
Partner
Membership No. 523903
UDIN: 22523903APPIUM7844

Place : New Delhi
Date : August 23, 2022

ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KPL International Limited of even date)

Report on the Internal Financial Controls with reference to financial statement 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 **KPL International 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31st March 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.

Place : New Delhi
Date : August 23, 2022

For **JKVS & CO.**
Chartered Accountants
Firm Registration No. 318086E

Sajal Goyal
Partner
Membership No. 523903
UDIN: 22523903APPIUM7844

KPL INTERNATIONAL LIMITED
BALANCE SHEET As At 31st MARCH 2022

(Rs. In Lacs)

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	151.60	151.60
(b) Reserves and Surplus	3	15,590.66	10,776.34
		15,742.26	10,927.94
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	574.79	1,527.51
(b) Deferred Tax Liabilities (Net)	5	505.01	666.43
(c) Other Long-term Liabilities	6	160.60	66.52
(d) Long-term Provisions	7	80.74	72.39
		1,321.14	2,332.85
(3) Current Liabilities			
(a) Short-term Borrowings	8	1,934.75	1,014.84
(b) Trade Payables	9		
(i) Due to Micro, Small & Medium Enterprises		1.06	3.21
(ii) Due to Others		5,517.40	6,492.22
(c) Other Current Liabilities	10	1,239.57	1,000.17
(d) Short-term Provisions	7	128.08	32.41
		8,820.86	8,542.85
TOTAL		25,884.26	21,803.64
II. ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipments	11		
(i) Property, Plant & Equipments (Tangible Assets)		7,667.13	8,527.63
(ii) Intangible Assets		4.97	5.99
(iii) Capital Work-in-Progress		72.92	185.65
		7,745.02	8,719.27
(b) Non-current Investments	12	260.00	-
(c) Long-term Loans & Advances	13	3.15	920.74
(d) Other Non Current Assets	17	102.68	106.03
		8,110.85	9,746.04
(2) Current Assets			
(a) Current Investments	12	1,691.04	985.50
(b) Inventories	14	6,115.08	4,065.30
(c) Trade Receivables	15	8,077.21	5,716.69
(d) Cash and Cash Equivalents	16	561.93	485.73
(e) Short-term Loans & Advances	13	1,082.17	600.43
(f) Other Current Assets	17	245.98	203.95
		17,773.41	12,057.60
TOTAL		25,884.26	21,803.64
Significant Accounting policies	1		
Contingent Liabilities and Commitments	27		
Other Notes to Accounts	28-30		
The accompanying notes are an integral part of the Financial Statements			

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

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E
Sajal Goyal
Partner
Membership No. 523903
Place : New Delhi
Dated : 23.08.2022

For and on behalf of the Board,
Surinder Kumar Kak
Managing Director
DIN No. 00044521
R.V. Kanoria
Chairman
DIN No. 00003792
Manoj Kumar Verma
Chief Financial Officer
Karishma
Company Secretary

KPL INTERNATIONAL LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH 2022

(Rs. In Lacs)

Particulars	Note No.	For the year ended 31.03.2022	For the year ended 31.03.2021
I. Revenue from Operations	18	52,941.01	38,716.88
II. Other Income	19	192.90	264.34
III. Total Revenue (I+II)		53,133.91	38,981.22
IV. Expenses:			
Cost of Materials Consumed	20	1,438.40	966.98
Purchases of Stock-in-Trade	21	42,464.53	31,079.41
Change in Inventories of finished goods, work-in-progress and Stock-in-Trade	22	(2,056.11)	(176.31)
Employee Benefits Expense	23	1,778.59	1,675.54
Finance Cost	24	220.93	438.43
Depreciation & Amortization Expense	25	936.52	1,005.74
Other Expenses	26	2,347.68	2,021.00
Total Expenses		47,130.54	37,010.78
V. Profit before exceptional item and Tax		6,003.37	1,970.44
Exceptional Income	28.15	436.24	-
VI. Profit before Tax (III-IV+V)		6,439.61	1,970.44
VII. Tax Expense			
(a) Current Tax		1,151.22	371.70
(b) Minimum Alternate Tax Credit		621.63	383.10
(c) Deferred Tax		(161.41)	(57.84)
(d) For earlier years		13.85	13.33
		1,625.29	710.29
VIII. Profit for the year from continuing operations (VI-VII)		4,814.32	1,260.15
Earning per Equity Share of Rs 1000/- each	28.09		
Basic & Diluted		0.32	0.08
Significant Accounting policies	1		
Contingent Liabilities and Commitments	27		
Other Notes to Accounts	28-30		
<i>The accompanying notes are an integral part of the Financial Statements</i>			

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

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E
Sajal Goyal
Partner
Membership No. 523903
Place : New Delhi
Dated : 23.08.2022

For and on behalf of the Board,
Surinder Kumar Kak
Managing Director
DIN No. 00044521
R.V. Kanoria
Chairman
DIN No. 00003792
Manoj Kumar Verma
Chief Financial Officer
Karishma
Company Secretary

KPL INTERNATIONAL LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(Rs. In Lacs)

	<i>For the year ended 31.03.2022</i>	<i>For the year ended 31.03.2021</i>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	6,439.61	1,970.44
Adjustments for:		
Depreciation & Amortisation Expense	936.52	1,005.74
Bad Debt	4.88	10.66
(Profit) / Loss on Sale of Property, Plant and Equipments (Net)	(4.33)	(3.33)
Interest on Term Loan / Working Capital	164.05	393.34
Provision for Bad & Doubtful Debts	3.66	30.31
Liability no longer required written back	(6.33)	(0.99)
Income from Investments - Dividend	(24.52)	-
Income from Investments - Others	(22.65)	(14.15)
Income from Investments - Interest	(16.21)	(14.44)
Unrealised Foreign Exchange Fluctuation (Net) loss / (gain)	13.19	(27.59)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES (a)	7,487.87	3,349.99
(Increase) / Decrease in Trade Receivables	(2,379.68)	2,413.27
(Increase) / Decrease in Inventories	(2,049.78)	(114.11)
(Increase) / Decrease in Loan & Advances	(308.91)	90.66
Increase / (Decrease) in Trade Payables & Liabilities	(543.77)	354.22
CHANGES IN WORKING CAPITAL (b)	(5,282.14)	2,744.04
CASH GENERATED FROM OPERATIONS (a+b)	2,205.73	6,094.03
Direct Tax Paid	1,134.11	400.09
NET CASH GENERATED FROM OPERATIONS	1,071.62	5,693.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(213.69)	(186.24)
Purchase/Liquidation of Investments (Net)	(965.54)	(300.00)
Income from Investments-Dividend and Interest	81.04	16.23
Fixed Deposit (Net) (Increase)/Decrease	(225.17)	138.03
Income from Investments - Others	22.65	14.15
Proceeds from Slump Sale of Avongrove Tea Estate	270.09	-
Net Proceeds from Sale of Property, Plant and Equipments	5.72	4.92
NET CASH FROM INVESTING ACTIVITIES	(1,024.90)	(312.91)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds / (Repayment) of Short Term Borrowing from Bank	919.92	(3,746.06)
Interest Paid	(162.22)	(394.91)
Net Proceeds / (Repayment) of Long Term Borrowings	(952.72)	(1,089.84)
NET CASH / FROM FINANCING ACTIVITIES	(195.02)	(5,230.81)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(148.30)	150.22
Cash and cash equivalents as at 31.03.2021	368.57	218.36
Cash and cash equivalents as at 31.03.2022	220.27	368.58
Cash and Cash equivalents includes		
Cash and Bank Balances (Refer Note 16)	561.93	485.73
Less: Other Bank Balances	341.66	117.15
Cash and Cash Equivalents	220.27	368.58
<p><i>Notes : 1. The cash flow statement has been prepared under indirect method as per accounting standard (AS-3).</i> <i>2. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable.</i> <i>The accompanying notes are an integral part of the Financial Statements.</i></p>		

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

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E
Sajal Goyal
Partner
Membership No. 523903

Place : New Delhi
Dated : 23.08.2022

For and on behalf of the Board,

Surinder Kumar Kak
Managing Director
DIN No. 00044521

R.V. Kanoria
Chairman
DIN No. 00003792

Manoj Kumar Verma
Chief Financial Officer

Karishma
Company Secretary

NOTES TO FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

A ACCOUNTING CONVENTION

- i) The financial statements of the company have been prepared in accordance with generally accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 (The 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act, to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The Accounting Policies applied by the company are consistent with those used in the previous year.
- ii) All items of Income & Expenditure are recognised on the accrual basis, except Insurance Claims, Claims of Customers or Principals and Verified Carbon Units from generations of electricity by the Wind Turbine Generator which are accounted for as and when settled/verified, on account of significant uncertainty involved.
- iii) Income/Expenditure from Venture Capital Investment / Alternate Investment Fund is recognised on the basis of statement received from them up to the date of finalisation of accounts.

B REVENUE RECOGNITION

- i) Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the delivery and is net of trade discount/rebate etc.
- ii) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- iii) Export entitlements are recognised in the statement of Profit and Loss when the right to receive as per the terms of the scheme is established.

C PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

- i) Property, Plant and Equipment are stated at cost, net of accumulated depreciation and net accumulated impairment losses, if any. Cost comprises purchase price and directly attributable costs of bringing the assets to its working condition for the intended use.
- ii) Capital Work in Progress is stated at cost including applicable expenses and taxes (if any).
- iii) In respect of Property, Plant and Equipment, depreciation has been charged over useful lives on Written Down Value Method (WDV) as prescribed in Schedule II as notified under The Act.
- iv) Leasehold lands and improvements are amortized over the period of lease on straight line basis.

D INTANGIBLE ASSETS AND AMORTISATION

- i) Intangible Assets are stated at acquisition cost, net of accumulated amortisation and net accumulated impairment losses, if any.
- ii) Intangible Assets are amortised over their estimated useful life on Written Down Value method as per applicable Accounting Standard 26 (Intangible Assets).

E VALUATION OF INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower. Cost is computed on the basis of weighted average cost. Cost comprises relevant expenditure incurred in the normal course of business in bringing such inventories to its locations.

F. INVESTMENTS

Non Current investments are stated at cost. The company provides for diminution, other than temporary, in the value of long term investments. Current investments are valued at lower of cost or Fair value.

G BORROWING COST

Interest and other costs in connection with borrowed funds to the extent related to the acquisition of qualifying Property, Plant and Equipments are capitalized up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the statement of Profit and Loss.

H FOREIGN CURRENCY TRANSACTIONS

- i) All Assets and Liabilities in foreign currency including currency hedging contracts outstanding at the close of the year are converted into Indian Currency at the rates of exchange prevailing on the date of the Balance Sheet and the difference is adjusted in the statement of Profit and Loss. In respect of transactions covered under forward foreign exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract is recognised as expense or income over the life of the contract.
- ii) On transactions completed during the year, gains/losses arising out of fluctuations in exchange rate are recognized in the statement of Profit and Loss in the period they arise.

I RETIREMENT BENEFITS

- i) Retirement Benefits in the form of provident fund, which are defined contribution plans, are charged to the statement of profit and loss for the year when the contributions to the fund are due.
- ii) Gratuity which is defined benefit, is accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary using the projected unit credit method.
- iii) Company makes annual contribution of gratuity to Group Gratuity Policy with Life Insurance Corporation of India, a scheme created for the purpose of qualifying employees.

J TAXATION

- i) Current tax is the provision made for the amount of income tax payable in respect of taxable income for the period.
- ii) Deferred tax is recognised on timing differences between taxable income and accounting income which are capable of being reversed in one or more subsequent periods subject to consideration of prudence.
- iii) Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized to the extent of the virtual certainty that there will be sufficient future taxable income available to realize such deferred assets.
- iv) Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date.
- v) Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

K IMPAIRMENT

Impairment loss is recognised wherever the carrying amount of the assets is in excess of its recoverable amount and the same is recognised as an expense in the statement of Profit and Loss, and the carrying amount of the assets is reduced to its recoverable amount, Reversal of impairment losses recognised in prior years recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased.

L PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

M CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON CURRENT

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the reporting date and realization of assets or payment of liabilities, 12 months have been considered by the Company for the purpose of Current and Non-current classification of assets and liabilities.

N SEGMENT REPORTING

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated.

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	As at 31.03.2022	As at 31.03.2021				
2. SHARE CAPITAL						
(a) AUTHORISED						
99,700 (Previous year 99,700) Equity Shares of Rs. 1,000/- each	997.00	997.00				
3,000 (Previous year 3,000) 9.8% Redeemable Cumulative Preference Shares of Rs. 100/- each	3.00	3.00				
	1,000.00	1,000.00				
(b) ISSUED, SUBSCRIBED AND PAID UP						
15,160 (Previous year 15,160) Equity Shares of Rs. 1000/- each fully paid up	151.60	151.60				
(c) Reconciliation of Equity Shares (Nos)						
Balance as at the beginning of the year	15,160	15,160				
Balance as at the end of the year	15,160	15,160				
(d) Terms/ rights attached to equity shares						
The Company has one class of Equity Share having par value of Rs.1000 per share. Each holder of Equity Share is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of 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 payment of all preferential amounts, in proportion to their shareholding.						
(e) 14143 (Previous Year 14143) Nos of equity shares of the company held by its Holding company Vardhan Finvest Limited						
(f) Details of Shares held by shareholders holding more than 5 % of the aggregate shares in the Company:						
Name of shareholder	Nos.	% of Holding	Nos.	% of Holding		
Vardhan Finvest Limited	14,143	93.29	14143	93.29		
(g) Details of Shareholding of Promoters :						
Shares held by promoters at the end of the year	Number of shares	% of Shares	% increase/(decrease) during the year	Number of Shares	% of Shares	% increase/(decrease) during the year
Promoter Name						
Vardhan Finvest Limited	14,143	93.29	-	14143	93.29	-
Anand Vardhan Kanoria	451	2.97	-	451	2.97	-
Saumya Vardhan Kanoria	451	2.97	-	451	2.97	-
Madhuvanti Kanoria	59	0.39	-	59	0.39	-
3. RESERVES AND SURPLUS						
(a) CAPITAL RESERVE						
As per last financial statements				0.27		0.27
				0.27		0.27
(b) CAPITAL REDEMPTION RESERVE						
As per last financial statements				0.05		0.05
				0.05		0.05
(c) GENERAL RESERVE						
As per last financial statements				3,120.10		3,120.10
				3,120.10		3,120.10
(d) SURPLUS IN STATEMENT OF PROFIT AND LOSS						
Balance as at the beginning of the year				7,655.92		6,395.77
Profit for the year				4,814.32		1,260.15
Balance as at the end of the year				12,470.24		7,655.92
Total				15,590.66		10,776.34
Nature and purpose of other reserves						
a) Capital reserve represents amount of forfeited equity shares and such reserve can be utilized in accordance with the provisions of the Companies Act 2013.						
b) Capital redemption reserve represents amount of redemption of preference shares and such reserve can be utilized in accordance with the provisions of the Companies Act 2013.						
c) General reserve represents appropriation from profits after tax and can be utilized in accordance with the provisions of the Companies Act 2013						
d) Surplus in Statement of Profit and Loss represents profit after tax, after transfer to general reserve or any other reserve if any.						

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	As at 31.03.2022	As at 31.03.2021		
4. LONG-TERM BORROWINGS				
SECURED				
Term Loans: From bank				
HDFC Bank	1,527.51	2,542.35		
Less :- Current maturities of long-term borrowings (disclosed under the head "short term borrowings" (Note no. 8)	952.72	1,014.84		
	574.79	1,527.51		
<p>(i) The Term Loan from HDFC amounting to Rs. 1341.16 lacs (Previous year Rs. 2107.54 lacs), repayable in 7 (Previous year 11) quarterly instalments. The repayment has started at the beginning from 24th July, 2017 and ending on 24th October, 2023. The loan is secured by exclusive charge on movable property, plant & equipment and current assets of wind turbines located at Vejalpar and Jamanvada, Gujarat and equitable mortgage of office space premises at 10th Floor, Statesman House, Barakhamba Road, New Delhi.</p> <p>(ii) TThe Term Loan from HDFC Bank amounting to Rs. 186.35 lacs (Previous year Rs. 434.81 lacs) Repayable in 3 (Previous year 7) quarterly instalments. The repayment has started at the beginning from 8th June, 2018 and ending on 08th December, 2022. The loan is secured by exclusive charge on movable property, plant & equipment and current assets of wind turbines located at Matalpar, Gujarat and equitable mortgage of office space premises at 7th and 8th Floor, Block 4B, Corporate Park, DLF City, Phase-3, Gurgaon, Haryana.</p>				
	As at 31.03.2022	As at 31.03.2021		
5. DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liability				
Difference between written down value of block of assets as per income tax laws and book written down value of the Property, Plant and Equipments	593.39	736.04		
(a)	593.39	736.04		
Deferred Tax Assets				
Employee Benefits	33.05	33.00		
Others	55.33	36.61		
(b)	88.38	69.61		
(a-b)	505.01	666.43		
6. OTHER LONG-TERM LIABILITIES				
Security Deposits	160.60	66.52		
	160.60	66.52		
7. PROVISIONS				
	Long-term	Short-term		
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
(a) Provision for employee benefits:				
For Accrued Leave	80.74	72.39	32.76	32.41
(b) Other Provisions:				
For Taxation	-	-	13.75	-
For Other Expenses	-	-	81.57	-
	80.74	72.39	128.08	32.41

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	As at 31.03.2022	As at 31.03.2021					
8. SHORT-TERM BORROWINGS							
SECURED							
(a) Working Capital Loans from Banks (Refer note 1 & 2 below):							
Cash Credit Facilities	132.96	-					
(b) Current maturities of Long term borrowings (Refer note no. 4)	952.72	1,014.84					
UNSECURED							
(a) Bill Discounting	849.07	-					
	1,934.75	1,014.84					
Notes:							
1). The working capital loan (a) secured by hypothecation over first pari passu charge on entire Current Assets and exclusive charge on entire movable Property, Plant and Equipments of the company apart from Fixed Assets of Wind Turbine units at Jamanvada, Vejalpar and Matalpar, Gujarat and equitable mortgage of Commercial space at 7th & 8th Floor, Block 4B, Corporate Park, DLF City Gurgaon, Haryana and 10th Floor, Statesmen House, New Delhi.							
2). No material discrepancies were found between the amount of current assets statement consisting of Inventory, Trade receivables and Trade payables filed with banks, as compared with books of accounts. As per regular practice followed by the company, the stock in transit and corresponding trade payables thereof having identical value are not incorporated in such statement.							
9. TRADE PAYABLES							
(a) Micro, Small and Medium Enterprises (Refer note no 28.11)	1.06	3.21					
(b) Other Entities							
For Goods & Services	5,517.40	6,492.22					
Total (a)+(b)	5,518.46	6,495.43					
Trade payables ageing schedule as on 31.03.2022							
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	1.06	-	-	-	1.06
(ii) Others	382.33	4,395.50	729.43	1.33	1.50	7.31	5,517.40
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	382.33	4,395.50	730.49	1.33	1.50	7.31	5,518.46

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

Trade payables ageing schedule as on 31.03.2021							
	Unbilled	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	3.21		-	-	3.21
(ii) Others	556.41	5,168.47	748.07	7.61	6.45	5.21	6,492.22
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	556.41	5,168.47	751.28	7.61	6.45	5.21	6,495.43
10. OTHER CURRENT LIABILITIES							
(a) Interest accrued but not due on borrowings					8.92		7.09
(b) Unpaid Dividend*					3.49		4.15
(c) Advance From Customers					380.23		247.67
(d) Employee related liabilities					163.52		298.78
(e) Statutory dues					96.59		139.51
(f) Security & Trade deposits					172.73		128.96
(g) Amount payable for Capital Goods					9.71		32.74
(h) Other liabilities					404.38		141.27
					1,239.57		1,000.17
*There is no amount due and outstanding to be credited to Investor Education and Protection Fund under sub section 5 of section 124 of the Act as at the year end.							

NOTES TO THE FINANCIAL STATEMENTS

11. Property, Plant and Equipments

(Rs. In Lacs)

PARTICULARS	NET BLOCK										
	Cost as on 01.04.2021	Additions During the year	Sales/ adjustment During the year	Adjustment related to Slump Sale of Avongrove Tea Estate	Cost as on 31.03.2022	Depreciation/ Amortisation for the year	Sales/ adjustment During the year	Adjustment related to Slump Sale of Avongrove Tea Estate	Depreciation/ Amortisation up to 31.03.2022	WDV as on 31.03.2022	WDV as on 31.03.2021
Tangible Assets											
Land - Freehold	15.00	-	-	-	15.00	-	-	-	-	15.00	15.00
Leasehold Land	160.10	-	-	7.00	153.10	7.78	-	6.73	40.48	112.62	120.67
Tea Plantation	208.40	-	-	208.40	-	-	-	-	-	-	208.40
Buildings	4,355.77	137.25	-	109.63	4,383.39	134.95	-	69.82	1,873.56	2,509.83	2,547.34
Roads	8.62	-	-	8.62	-	-	-	8.19	-	-	0.43
Plant & Machinery	10,577.09	28.70	0.98	94.97	10,509.84	710.33	0.94	79.92	5,709.55	4,800.29	5,497.02
Furniture and Fittings	198.04	37.27	3.13	3.23	228.95	12.98	2.97	0.69	180.77	48.18	26.60
Office Equipment	174.74	60.45	0.33	0.77	234.09	25.99	0.32	0.68	172.06	62.03	27.67
Motor Vehicles	242.27	47.55	7.44	20.67	261.71	26.12	6.39	18.45	175.31	86.40	68.24
Computers and data processing units	176.45	7.37	7.18	1.95	174.69	7.62	7.09	1.87	160.18	14.51	14.93
Electrical Installations & Equipment	26.51	27.89	0.77	22.61	31.02	9.78	0.73	21.48	12.75	18.27	1.33
	16,142.99	346.48	19.83	477.85	15,991.79	935.55	18.44	207.83	8,324.64	7,667.13	8,527.63
Intangible Assets											
Computer Softwares	84.85	-	-	1.00	83.85	0.97	-	0.95	78.88	4.97	5.99
	84.85	-	-	1.00	83.85	0.97	-	0.95	78.88	4.97	5.99
Total	16,227.84	346.48	19.83	478.85	16,075.64	936.52	18.44	208.78	8,403.52	7,672.10	8,533.62
Capital Work in Progress	-	-	-	-	-	-	-	-	-	72.92	185.65
	-	-	-	-	-	-	-	-	-	72.92	185.65
Grand Total	16,227.84	346.48	19.83	478.85	16,075.64	936.52	18.44	208.78	8,403.52	7,745.02	8,719.27
Figures for the Corresponding Previous year	16,209.85	37.41	19.42	-	16,227.84	1,005.74	17.83	-	7,694.21	8,719.27	9,512.68

*Above Property, Plant and Equipments includes Let out Property having Cost of Rs. 988.44/- Lacs and WDV Rs. 509.71/- Lacs

1 Age wise detail of Capital Work in progress

Particulars	As at March 30, 2022	As at March 30, 2021
Projects in progress		
<1 Year	72.92	176.50
1-2 Years	-	9.15
2-3 Years	-	-
>3 Years	-	-

2 Capital work in progress whose completion is overdue or has exceeds its cost compared to its original plan

CWIP	Less than 1 year	1-2 year	2-3 year	More than 3 years
Projects 1	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

12. INVESTMENTS (OTHER THAN TRADE)	As at 31.03.2022				As at 31.03.2021	
A. NON CURRENT	Number of Units					
	As at 01.04.2021	Purchase / addition during the year	Sold during the year	As at 31.03.2022	Amount	Amount
QUOTED						
INVESTMENT IN MUTUAL FUND						
Aditya Birla Sun Life MNC Fund - Growth (Market Value of Rs. 184.72 lacs, previous year Rs. Nil)	-	19,741.180	-	19,741.180	200.00	-
	-	-	-	-		
UNQUOTED						
INVESTMENT IN ALTERNATIVE INVESTMENT FUND II						
Stellaris Venture Partners India Trust II (Face Value of Rs. 1,00,000/- per unit) (refer Note no. 27.04)	-	60.000	-	60.000	60.00	-
	-	-	-	-		
					260.00	-
B. CURRENT						
	As at 01.04.2021	Purchase / addition during the year	Sold during the year	As at 31.03.2022	Amount	Amount
QUOTED						
INVESTMENT IN MUTUAL FUND						
Axis Bank Liquid Fund - Growth (Market Value Rs. 1,012.52 Lacs, previous year Rs. 300.45 Lacs)	13,149.952	6,44,620.377 (3,82,902.481)	5,69,861.959 (3,69,752.529)	87,908.370 (13,149.952)	1,005.54	300.00
UNQUOTED						
INVESTMENT IN VENTURE CAPITAL FUND						
ASK Pravi Private Equity Opportunities Fund (Face Value of Rs. 1,00,000/- per unit)	685.500 (685.500)	-	-	685.500 (685.500)	685.50	685.50
					1,691.04	985.50
Note :- Figures in bracket pertain to previous year						
13. LOANS AND ADVANCES						
	As at 31.03.2022				As at 31.03.2021	
	NON CURRENT				CURRENT	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Balance with Goods & Service tax & other Government Authorities	-	-	-	-	317.48	310.42
Income Tax Payments and Tax deducted at Source less Provision	-	-	-	-	-	21.55
MAT Credit Receivable	-	891.74	-	-	264.49	-
Advance to Employees	3.15	0.56	-	-	13.03	3.37
Advance to Suppliers	-	-	-	-	473.62	253.98
Capital Advance	-	28.44	-	-	-	-
Other Advance	-	-	-	-	13.55	11.11
	3.15	920.74	-	-	1,082.17	600.43

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	As at 31.03.2022	As at 31.03.2021						
14. INVENTORIES								
(As taken, valued and certified by the Management)								
(a) Raw Materials	98.37	97.80						
(b) Stores and Spare Parts	-	6.90						
(c) Finished Goods	78.76	218.37						
(d) Stock In Trade (Chemicals, Polymer & Others) (includes Goods in Transit Rs. 347.32 lacs, previous year 359.43 lacs)	5,937.95	3,742.23						
	<u>6,115.08</u>	<u>4,065.30</u>						
Details of Finished Goods / Raw Materials	Finished Goods	Raw Materials						
	As at 31.03.2022	As at 31.03.2021						
	As at	As at 31.03.2021						
Refrigerant Gas & SF6 Gas	78.76	198.54						
Tea	-	19.83						
	<u>78.76</u>	<u>218.37</u>						
	<u>98.37</u>	<u>97.80</u>						
	<u>98.37</u>	<u>97.80</u>						
15. TRADE RECEIVABLES*								
Trade Receivables	8,185.64	5,821.46						
Less: Provision for Bad & Doubtful Debts	108.43	104.77						
	<u>8,077.21</u>	<u>5,716.69</u>						
*Refer note no. 28.03 related to related party disclosures.								
Trade Receivables ageing schedule as on 31.03.2022:								
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
Considered good	99.11	5,291.15	2,656.18	20.34	6.01	-	-	8,072.79
Considered Doubtful	-	-	-	-	2.02	-	22.09	24.10
Disputed								
Considered good	-	-	-	-	-	4.42	-	4.42
Considered Doubtful	-	-	-	-	-	4.42	79.91	84.33
Total	99.11	5,291.15	2,656.18	20.34	8.02	8.84	102.00	8,185.64
Trade Receivables ageing schedule as on 31.03.2021:								
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed								
Considered good	67.03	3,904.46	1,644.87	30.41	25.82	9.78	-	5,682.37
Considered Doubtful	-	-	-	-	8.61	9.79	22.70	41.09
Disputed								
Considered good	-	-	-	-	6.07	28.25	-	34.32
Considered Doubtful	-	-	-	-	2.02	28.25	33.40	63.68
Total	67.03	3,904.46	1,644.87	30.41	42.52	76.07	56.10	5,821.46

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

16. CASH AND CASH EQUIVALENTS				
(A) CASH AND CASH EQUIVALENTS				
(a) Cash in hand	2.13		1.01	
(b) Balances with Banks				
In Current Account	44.10		239.55	
In EEFC Account	87.12		86.87	
In Current Account (Foreign Countries)	86.92		41.15	
Total (A)	220.27		368.58	
(B) OTHER BANK BALANCES				
(a) Earmarked Balances With Banks				
In Unpaid Dividend Account	3.49		4.15	
(b) Margin Money held as Securities				
	338.17		113.00	
Total (B)	341.66		117.15	
Total (A+B)	561.93		485.73	
17. OTHER ASSETS				
	<u>NON CURRENT</u>		<u>CURRENT</u>	
	31.02.2022	31.03.2021	31.03.2022	31.03.2021
(a) Security Deposits	101.51	106.01	1.42	4.23
(b) Prepaid Expenses	1.17	0.02	74.44	57.82
(c) Surplus Fund of Plan Assets-Gratuity Fund	-	-	56.46	10.36
(d) Export Benefits Receivable	-	-	14.09	6.33
(e) Dividend & Interest Receivable	-	-	68.64	40.31
(f) Other Receivable	-	-	30.93	84.90
	102.68	106.03	245.98	203.95

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	For the year ended 31.03.2022	For the year ended 31.03.2021
18. REVENUE FROM OPERATIONS		
(a) (i) Sale of Manufactured Goods		
Tea (Including Export Sales of Rs. 97.25 lacs Previous Year Rs. 39.55 lacs)	370.98	305.64
Refrigerant Gas & SF6 Gas	2,147.36	1,279.89
Wind Power	1,647.36	1,190.46
(ii) Sale of Traded Goods (Chemicals, Polymers & Others) (Including Export Sales/SEZ of Rs. 4,408.43 lacs, Previous Year - Rs. 3,029.32 lacs)	46,901.83	34,555.08
(b) Commission Income (Refer Note no- 28.01 of Other Notes to Account)	1,853.73	1,373.40
(c) Other Operating Revenue		
Export Benefits	19.75	12.41
Revenue from operations	52,941.01	38,716.88
19. OTHER INCOME		
Interest Income		
On Fixed Deposit with Banks	16.21	14.44
Dividend Income		
On Current Investments	24.52	-
Income from Investments	22.65	14.15
Exchange Rate Fluctuation (Net)	-	63.48
Rent Income	111.94	156.87
Liabilities No longer required written back	6.33	0.99
Subsidy from Tea Board	3.91	0.95
Profit on Sale of Property, Plant and Equipments (Net)	4.33	3.33
Miscellaneous Income	3.01	10.13
	192.90	264.34
20. COST OF MATERIALS CONSUMED		
Refrigerant Gas & SF6 Gas	1,438.40	966.98
	1,438.40	966.98
21. PURCHASES OF STOCK IN TRADE		
Traded Goods (Chemicals, Polymers & Others)	42,464.53	31,079.41
	42,464.53	31,079.41
22. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Finished Goods		
Opening Stock	218.37	325.83
Closing Stock	78.76	218.37
Decrease /(Increase)	139.61	107.46
Stock in Trade		
Opening Stock	3,742.23	3,458.46
Closing Stock	5,937.95	3,742.23
Decrease /(Increase)	(2,195.72)	(283.77)
Change in inventory	(2,056.11)	(176.31)

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	For the year ended 31.03.2022	For the year ended 31.03.2021
23. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus & Gratuity etc.	1,441.99	1,473.53
Managerial Remuneration	222.63	105.34
Contribution to Provident Fund & Others	99.19	88.39
Staff Welfare	14.78	8.28
	1,778.59	1,675.54
24. FINANCE COST		
Interest on working Capital Loan	19.59	218.59
Interest on Term Loan	144.46	174.75
Other Borrowing cost (including Bank Charges)	56.88	45.09
	220.93	438.43
25. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation	928.74	997.05
Amortisation	7.78	8.69
	936.52	1,005.74
26. OTHER EXPENSES		
Consumption of Stores & Spare parts etc.	22.82	16.06
Electricity	27.85	31.53
Power & Fuel	51.06	44.01
Rent	287.42	271.48
Repairs to Plant & Machinery	196.53	185.96
Repairs to Buildings	61.95	72.99
Repairs to Others Assets	79.93	64.68
Insurance	56.03	57.54
Rates & Taxes	59.13	48.37
Auditors' Remuneration		
Audit Fees	7.50	6.30
Tax Audit Fees	0.50	0.50
Certification Fees	0.72	1.38
Reimbursement of Expenses	0.29	0.23
Premium on currency hedging Contracts	147.72	135.53
Exchange Rate Fluctuation (Net)	39.44	-
Selling & Distributing Expenses	864.65	641.23
Directors Sitting Fees	4.35	4.00
Travelling Expenses	42.82	21.44
Bad Debt	4.88	10.66
Provision for Bad & Doubtful Debts	3.66	30.31
Corporate Social Responsibility Expenses (Refer Note No. 28.12)	47.05	44.59
Previous Year Expenses	0.03	3.79
Miscellaneous Expenses	341.35	328.42
	2,347.68	2,021.00

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	As at 31.03.2022	As at 31.03.2021		
27. CONTINGENT LIABILITIES & COMMITMENTS :				
27.01. CONTINGENT LIABILITIES				
(a) Bank Guarantees given to various Govt. Authorities & others	78.22	396.59		
(b) Letter of Credit	1,592.40	1,459.26		
(c) (i) Income Tax demand under appeal (amount paid under protest Rs. 53.59 lacs, previous year Rs. 53.59 lacs)	160.04	160.04		
(ii) Sales Tax demand including Penalty Rs. 5.22 lacs (amount paid under protest Rs. 14.14 lacs, previous year Rs. 10.20 lacs)	202.54	95.26		
27.02. OTHER LITIGATIONS				
The Company has filed law suit against certain customers for recovery of Rs. 88.00 lacs (Previous Year Rs. 98.00 lacs) appearing in Trade receivables (Refer Note No. 15)				
27.03. CAPITAL COMMITMENTS				
Estimated amount of Contract remaining to be executed on Capital Account and not provided for (Net of Advance) Rs. 48.93 lacs (Previous Year Rs. 58.98 lacs)				
27.04. OTHER COMMITMENTS				
During the year, the company has committed to invest Rs. 300.00 lacs in Stellaris Venture Partners India Trust II fund an alternative investment fund (AIF) Category II, towards which Rs. 60.00 lacs have been paid.				
28. OTHER NOTES TO ACCOUNTS				
28.01. Commission Income includes shipments made earlier years but advice received in Current Year Rs. 207.58 lacs (Previous year Rs. 48.30 lacs).				
28.02. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits: - In respect of Leave Encashment & Gratuity, a defined benefit scheme (based on Actuarial Valuation)				
	2021-22	2020-21		
PARTICULARS	GRATUITY (FUNDED)	LEAVE ENCASH (UNFUNDED)	GRATUITY (FUNDED)	GRATUITY (UNFUNDED)
A RECONCILIATION OF OPENING AND CLOSING BALANCES OF DEFINED BENEFIT OBLIGATION				
DEFINED BENEFIT OBLIGATION AS ON 01-04-2021	218.98	104.03	386.65	99.98
EMPLOYER SERVICE COST	18.38	15.51	34.99	15.99
INTEREST COST	14.80	7.03	26.20	6.76
ACTUARIAL (GAINS) / LOSSES	1.25	(8.78)	0.09	(9.32)
BENEFITS PAID	(5.56)	(4.30)	(9.77)	(8.61)
PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AS ON 31-03-2022	247.85	113.49	438.16	104.80
B RECONCILIATION OF OPENING AND CLOSING BALANCES OF FAIR VALUE OF PLAN ASSETS				
FAIR VALUE OF ASSETS AT THE BEGINNING OF THE YEAR	261.95	-	429.29	-
EXPECTED RETURN ON PLANNED ASSETS	18.83	-	22.81	-
CONTRIBUTION	29.09	-	6.71	-
BENEFITS PAID	(5.56)	-	(9.77)	-
ACTUARIAL (GAINS) / LOSSES	-	-	(0.52)	-
FAIR VALUE OF PLAN ASSETS AT YEAR END	304.31	-	448.52	-
C RECONCILIATION OF FAIR VALUE OF ASSETS & OBLIGATION				
FAIR VALUE OF PLAN ASSETS AS AT 31.03.2022	304.31	-	448.52	-
FAIR VALUE OF OBLIGATION AS AT 31.03.2022	247.85	113.49	438.16	104.80
D EXPENSES RECOGNISED DURING THE YEAR				
CURRENT SERVICE COST	18.38	15.51	34.99	15.99
INTEREST COST	14.80	7.03	26.20	6.76
EXPECTED RETURN ON PLANNED ASSETS	(17.92)	-	(29.08)	-
ACTUARIAL (GAINS) / LOSSES	0.33	(8.78)	6.88	(9.32)
TOTAL	15.59	13.76	38.99	13.43
E ACTUARIAL ASSUMPTIONS				
MORTALITY TABLE (L.I.C. 1994-96)				
DISCOUNT RATE (PER ANNUM)	7.16%	7.16%	6.76%	6.76%
RATE OF ESCALATION IN SALARY	6.00%	6.00%	6.00%	6.00%
EXPECTED RATE OF RETURN ON PLAN ASSETS	7.35%	-	6.84%	-

NOTES TO THE FINANCIAL STATEMENTS

28.03. Related Party Disclosure (With whom transactions have taken place)[#]	
Name & Relationship of the Related Parties:	
I. Enterprises where control exists: Vardhan Finvest Limited - Holding Company II. Enterprises over which promoters directly or indirectly have significant influence : Kanoria Chemicals & Industries Limited Kanoria Africa Textiles PLC, Ethiopia Apag Elektronik CORP Apag Elektronik A.G. Switzerland Apag Elektronik S.R.O. Intrust Global eServices Private Limited Ludlow Jute & Specialities Limited Sambhava Foundation - Charitable Trust	III. Key Managerial Personnel: Mr. R.V. Kanoria, Chairman Mr. Surinder Kumar Kak, Managing Director Mr. S.V. Kanoria, Director Mr. A.V. Kanoria, Director Mrs. Vaidehi Kanoria, Director Mr. Rohit Mundra, Independent Director (Upto 28.02.2022) Mr. Vinay Kumar Bagla, Independent Director Mr. Vidyandhi Dalmia, Independent Director (From 17.03.2022) Mr. Manoj Kumar Verma, Chief Financial Officer (From 01.11.2021) Ms. Karishma, Company Secretary IV. Relative of Directors Mrs. Madhuvanti Kanoria

Transactions with Related Parties during the year :

(Rs. In Lacs)

Nature of Transaction	Enterprises over which promoters directly or indirectly have significant influence		Key Management Personnel* and Relative of Directors	
	2021-22	2020-21	2021-22	2020-21
1. Remuneration paid to Managing Director	-	-	222.63	105.34
2. Commission Income				
Kanoria Chemicals & Industries Limited	8.59	10.87	-	-
3. Rent Received				
Intrust Global eServices Private Limited	22.41	22.09	-	-
4. Rent Paid				
Kanoria Chemicals & Industries Limited	10.20	10.20	-	-
5.(a) Sale of Goods				
Kanoria Africa Textiles PLC, Ethiopia	571.30	60.32	-	-
Apag Elektronik S.R.O.	297.27	9.08	-	-
Apag Elektronik CORP	286.35	6.68	-	-
5.(b) Reimbursements				
Intrust Global eServices Private Limited	3.17	7.17	-	-
6. Purchase (Other)				
Ludlow Jute & Specialities Limited	0.23	0.47	-	-
7. Purchase of Licence				
Intrust Global eServices Private Limited	-	15.36	-	-
8. CSR Paid				
Sambhava Foundation	49.98	39.91	-	-
9. Salary Paid to relative of Director	-	-	73.92	73.92
10. Salary Paid to KMP other than Managing Director	-	-	22.18	3.26
11. Director Sitting Fee	-	-	4.35	4.00
Balance outstanding as on Balance Sheet date				
Receivable - Kanoria Chemicals & Industries Limited	8.21	6.70	-	-
- Kanoria Africa Textile PLC	567.83	-	-	-
- APAG Elektronik S.R.O	289.89	-	-	-
- APAG Elektronik Corp.	237.74	1.70	-	-
- Intrust Global eServices Pvt. Ltd	-	0.69	-	-
Remuneration payable to Managing Director	-	-	132.45	23.68
Salary payable to relative of Director	-	-	6.16	6.16
Remuneration payable to KMP other than Managing Director	-	-	6.49	0.69

* Excluding Actuarial Valuation of Gratuity & Leave Encashment

All the above transactions are net of Indirect Taxation wherever required

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	For the year ended 31.03.2022	For the year ended 31.03.2021		
28.04. Value of Import on CIF basis				
Raw Materials	1,257.34	803.35		
Trading Goods	33,886.41	26,958.65		
	35,143.75	27,762.00		
28.05. Value of Imported and Indigenous Raw Material Consumed and Percentage Thereof.				
	Value	%	Value	%
Imported	1,438.40	100%	966.98	100%
	1,438.40	100%	966.98	100%
28.06. Value of Consumables and Stores & Spare parts (Excluding charged to other heads)				
	Value	%	Value	%
Indigenous	22.82	100%	16.06	100%
	22.82	100%	16.06	100%
28.07. Expenditures in Foreign Exchange				
Foreign Travelling	2.79		0.14	
Third Country Purchases	2,456.41		2,337.16	
Finance cost	73.81		107.88	
Professional Services	12.06		7.20	
Others	117.82		127.21	
	2,662.89		2,579.59	
28.08 Earnings in Foreign Exchange				
Commission Income	1,740.26		1,326.26	
FOB Value of Export	736.14		338.28	
Third Country Sales	2,836.99		2,458.01	
	5,313.39		4,122.55	
28.09 Earning Per Share				
Profit for the year (Rs.)	4,814.33		1,260.15	
Weighted average number of Equity Shares	15,160		15,160	
Basic & Diluted earning per share of Rs. 1000/- each	0.32		0.08	

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

28.10. SEGMENT REPORTING						
A) Primary Segment Information (by Business Segment)						
Business Segment	2021-2022			2020-2021		
	Wind Turbine	Other than Wind Turbine	Total	Wind Turbine	Other than Wind Turbine	Total
Segment Revenue						
Revenue from operations	1,647.36	51,293.65	52,941.01	1,190.46	37,526.41	38,716.87
Segment Result	607.93	5,666.31	6,274.24	143.93	2,224.43	2,368.36
less : (i) Finance Cost	132.14	88.80	220.93	173.21	265.21	438.43
(ii) Exceptional items		(436.24)	(436.24)		-	-
(iii) Other Un-allocable expenditure			-			-
net off Un-allocable income		-	49.94		-	(40.51)
Profit before Tax	475.79	6,013.76	6,439.61	(29.28)	2,040.23	1,970.44
Tax Expense :						
For earlier years			13.85			13.33
Current Tax			1,151.22			371.70
MAT credit			621.63			383.10
Deferred Tax			(161.41)			(57.84)
Net Profit :			4,814.32			1,260.15
Other Information						
Segment Assets	4,893.05	18,971.54	23,864.59	5,565.36	14,299.17	19,864.53
Un-allocable Corporate Assets	-	-	2,019.67	-	-	1,939.11
Total Assets :			25,884.26			21,803.64
Segment Liabilities	1,783.99	7,835.78	9,619.77	2,749.50	7,455.62	10,205.12
Un-allocable Corporate Liabilities	-	-	522.23	-	-	670.58
Total Liabilities :			10,142.00			10,875.70
Segment Capital Employed	3,109.06	11,135.76	14,244.82	2,815.86	6,843.54	9,659.40
Un-allocable Capital Employed	-	-	1,497.44	-	-	1,268.54
Total Capital Employed :			15,742.26			10,927.94
Total Liabilities & Capital Employed			25,884.26			21,803.64
Capital Expenditure	11.80	334.68	346.48	-	37.41	37.41
Un-allocable Capital Expenditure						
Total Capital Expenditure :			346.48			37.41
Depreciation & Amortization	680.79	255.73	936.52	776.48	229.26	1,005.74
Un-allocable Depreciation						
Total Depreciation & Amortization :			936.52			1,005.74
Other Non-cash expenses (included in Exceptional items)						
(B) Secondary Segment Information						
Not applicable.						
(C) Note on Segment information :						
1. Segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17). Business Segments have been considered as primary segments.						
2. Segment Accounting Policies						
The accounting polices adopted for segment reporting are in line with the accounting polices of the company.						
3. Type of products included in each reported business segment:						
Wind Turbine Business includes Power generation from wind energy. And others includes Tea, Refrigerant Gas, Indenting, Traded Goods & Rent.						

NOTES TO THE FINANCIAL STATEMENTS

(Rs. In Lacs)

	31st March, 2022	31st March, 2021
<p>28.11 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:</p>		
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.06	3.21
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-
<i>The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.</i>		
<p>28.12 CSR Expenditure</p> <p>The Company undertook Corporate Social responsibility('CSR') programme and activities through a Trust registered under the Income Tax Act,1961.</p> <p>Details of Corporate Social Responsibility as per Section 135(5) of Act and Rules made thereunder:</p>		
Corporate social responsibility (CSR) expenditure	For the year ended 31.03.2022	For the year ended 31.03.2021
(i) Amount required to be spent during the year	47.05	42.49
(ii) Amount spent during the year	45.30	39.91
(iii) (Excess) / Shortfall for the year	1.75	4.68
(iv) Total of previous years shortfall [net]	4.68	-
(v) Details of related party transactions such as Contribution to trust controlled by the company	49.98	39.91
(vi) Nature of CSR activities:		
(a) Promoting Education	7.92	27.74
(b) Women Empowerment	42.06	12.17
(vii) Reason for shortfall	Ongoing project (amount transferred to Unspent CSR Account)	Ongoing project (amount transferred to Unspent CSR Account)

NOTES TO THE FINANCIAL STATEMENTS

28.13. Scheme of Amalgamation

The company has filed an application with National Company Law Tribunal (NCLT)-Delhi as the registered office situated in Delhi on 09.02.2021 for the amalgamation of Vardhan Finvest Limited (Transferor Company) its holding company with the company (Transferee Company) to be effective from April 1, 2021 under section 230 and 232 of The Companies Act 2013. The application has also been filed simultaneously with NCLT Kolkata as the registered office of Vardhan Finvest Limited is situated in Kolkata.

The NCLT Kolkata has approved the scheme of amalgamation vide its order dated 24.03.2022 subject to the approval of the scheme by NCLT-New Delhi. The application with NCLT-New Delhi is pending and in the advanced stage.

- 28.14.** During the Financial year 2018-19, the Company had swapped the Rupee term loan taken from HDFC Bank into equivalent notional Euro
(i) 62,44,943.29 as per details given below :

Date of Swap Agreement	Principal outstanding (Rs. In Lacs)		
	As on date of Swap	As on 31.03.2021	As on 31.03.2022
25th July 2018	4,023.48	2,107.54	1,341.16
4th January 2019	993.84	434.81	186.35

The Company pays interest and instalments as per terms of original Rupee Term loan agreements. However, such payment of interest and instalments are credited back by HDFC Bank to the Company's account, and simultaneously the Company pays interest and instalments in equivalent Euro as per terms of Swap agreements.

- 28.14.** During the year the company entered into an Interest Rate Swap deal with HDFC Bank to convert its fixed interest rate of borrowing to a
(ii) floating rate. The company will receive a fixed rate and pay FBIL (Financial Benchmark India Pvt Ltd) overnight Mumbai Interbank Outright Rate (MIBOR) settled semi-annually to bank as per details given below:

Date of Swap Agreement	Notional Principal Rs in Lakh	Fixed Rate % Per Annum	Tenure
28th September 2021	2500	5.22%	5 years

28.15. EXCEPTIONAL ITEM STATED IN THE PROFIT & LOSS ACCOUNT IS AS UNDER:

Profit on Slump Sale of Avongrove Tea Estate of the Company on going concern basis Rs. 436.24 lacs (Previous Year Rs. Nil)

29. Disclosure of Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013

(I) Analytical Ratios:

Ratios	Numerator	Denominator	2021-2022	2020-2021	% Variance
(a) Current Ratio	Current Assets	Current Liabilities	2.01	1.41	43%
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.10	0.23	-58%
(c) Debt Services Coverage Ratio	Earning available for Debt	Debt Service	6.24	2.70	131%
(d) Return on Equity Ratio	Net profit after tax	Average Shareholder's Equity	0.36	0.12	195%
(e) Inventory Turnover Ratio	Total Sales	Average Inventory	10.40	9.66	8%
(f) Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivable	7.68	5.63	36%
(g) Trade Payables Turnover Ratio	Total Purchases	Average Trade Payable	0.14	0.20	-32%
(h) Net Capital Turnover Ratio	Total Sales	Working Capital	8.49	13.57	-37%
(i) Net Profit Ratio	Net Profit	Total Income	9.09%	3.25%	179%
(j) Return on Capital Employed	Earning before Interest & Tax	Equity+Debt+Deferred Tax	37.47%	17.04%	120%
(k) Return on Investments (Unquoted Venture Capital Investment/ Alternative Investment Fund)	Income from Investments	Weighted Average Investment	0.00%	0.00%	0%
(l) Return on Investments (Quoted Liquid Mutual Fund)	Income from Investments	Weighted Average Investment	2.52%	2.96%	-15%

NOTES TO THE FINANCIAL STATEMENTS

Reasons for Variance in excess of 25%

- (a) Increase in current ratio is due to increased profitability deployed in investment, inventory and trade receivables during the current financial year.
- (b) Debt Equity Ratio improved due to increased profitability and reduction in total debt.
- (c), (d), (h) & (j) Debt Service Coverage Ratio, Return on Equity Ratio, Net Profit Ratio and Return on Capital Employed improved due to increased profitability.
- (i) Increase in Net Profits Ratio due to increase in profit after tax during current financial year.
- (f) & (g) Trade Receivables, Trade Payable Turnover Ratio improved due to increased liquidity.
- (II) The Company does not have any transactions with companies which are struck off.
- (III) No material discrepancies were found between the quarterly statement of current assets (Inventory, Trade receivables and Trade Payables) filed with bank as compared to books of accounts.
- (IV) None of the Loans or Advances in the nature of loans as at 31st March, 2022 and as at 31st March, 2021 are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.
- (V) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.
- (VI) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.
- (VII) All the Registration of Charges or Satisfaction of Charges with the Registrar of Companies are completed within the statutory period.
- (VIII) The company does have no any layer of companies during the current and previous year.
- (IX) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (X) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (XI) All title deeds of immovable property are held in the name of company.
- (XII) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (XIII) The company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- (XIV) During the year company has not revalued its Property, Plant and Equipment.
- (XV) The capital work in progress as at 31.03.2022 is Rs. 72.92 lacs (previous year Rs. 185.65 lacs)
- (XVI) No intangible asset is under development during the current as well previous year.
- (XVII) The compliance with approved Scheme of Arrangement is not applicable to the company during the current as well in previous year.

30. Previous Year figures have been regrouped and rearranged where ever required.

Signatures to Notes 1 to 30
In terms of our Report of even date attached.

As per our report annexed

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

Sajal Goyal
Partner
Membership No. 523903

Place : New Delhi
Dated : 23.08.2022

For and on behalf of the Board,

Surinder Kumar Kak
Managing Director
DIN No. 00044521

R.V. Kanoria
Chairman
DIN No. 00003792

Manoj Kumar Verma
Chief Financial Officer

Karishma
Company Secretary