

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KSHANIKA TRADING LIMITED  
REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS.

OPINION

We have audited the standalone financial statements of M/s. Kshanika Trading Limited ('the Company'), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss and the cash flow statement for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS OF OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 Standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON :

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.



**MANAGEMENT'S RESPONSIBILITY AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

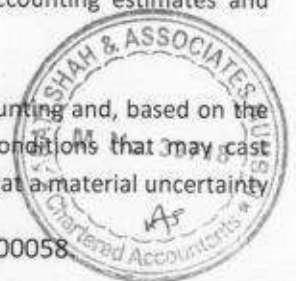
The Board of Directors are responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit 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.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.





f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements..
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For Arati Shah & Associates

Chartered Accountants

Firm's registration number: 100530W

A Shah

Arati Shah

Proprietor

Membership number: 039718



Place: Mumbai

Date: 29<sup>th</sup> June, 2021

UDIN: 21039718AAAAEE2541

**Annexure - A to the Auditors' Report**

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

**REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 M/s. Kshanika Trading Limited ('the Company'), as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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**

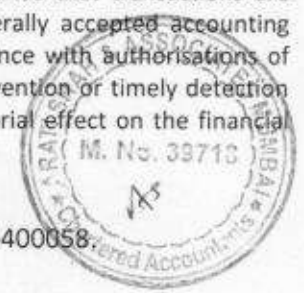
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Arati Shah & Associates**

*Chartered Accountants*

Firm's registration number: 100530W

*A Shah*

**Arati Shah**

*Proprietor*

Membership number: 039718



Place: Mumbai

Date: 29<sup>th</sup> June, 2021

UDIN: 21039718AAAAEE2541

**ANNEXURE – "B" TO THE AUDITORS' REPORT**

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

1. In respect of its fixed assets:

The Company has generally maintained proper records showing full particulars including quantitative detail and situation of fixed assets.

As explained to us, the physical verification of the fixed assets was conducted by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. There was no material discrepancies noticed on such verifications.

2. In respect of its inventories:

The company does not engaged in the business of manufacturing, marketing and processing of any goods and articles. Accordingly, it does not hold any physical inventories. Thus the paragraph 3(ii) of the order is not applicable.

3. In respect of loan given:

According to the information and explanations given to us, the company has not granted loans, secured or unsecured to the parties covered under the register maintained u/s.189 of the Companies Act,2013 (The Act). Accordingly paragraph 3(iii) of the Order is not applicable to the Company.

4. According to the information and explanations given to us and based on the audit procedures conducted by us, during the year, the Company has not granted any loans, guarantees or security covered under section 185 of the Companies Act,2013.

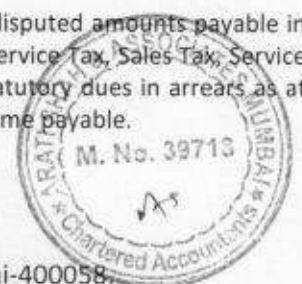
In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of grant of loans, investments and providing guarantees and securities, as applicable.

5. The company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Act and the Rules framed thereunder to the extent notified.

6. We have been informed by the management that the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.

7. In respect of statutory dues:

- a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- b) According to the Information and Explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.





- c) According to the information and explanation given to us and the records of the company examined by us there are no any dues of Goods & Service Tax, Sales Tax, Wealth Tax, Service Tax and other statutory dues which have not been deposited on account of any disputes.
8. According to the records of the company, the company has not borrowed from any financial institution, banks, government or issued debenture till the end of the financial year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Nor has the company obtained any term loan accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and Accordingly, paragraph 3 (xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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 statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provision of section 192 of the Companies Act,2013 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Arati Shah & Associates

Chartered Accountants

Firm's registration number: 100530W

A Shah

Arati Shah

Proprietor

Membership number: 039718



Place: Mumbai

Date: 29<sup>th</sup> June, 2021

UDIN: 21039718AAAAEE2541



# KSHANIKA TRADING LIMITED

Balance Sheet As At March 31, 2021

Particulars	Note	As At March 31, 2021	As At March 31, 2020
<b>I ASSETS</b>			
<b>(1) Non Current Assets</b>			
[a] Investment Property	1	2,34,52,549	2,33,80,549
<b>Total non-current assets</b>		2,34,52,549	2,33,80,549
<b>(2) Current Assets</b>			
<b>[a] Financial Assets</b>			
(i) Cash and cash equivalents	2	9,929	31,858
(ii) Loans	3	1,41,45,835	1,41,45,835
<b>Total current assets</b>		1,41,55,764	1,41,77,693
<b>Total assets</b>		3,76,08,313	3,75,58,242
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
[a] Equity Share Capital	4	5,00,000	5,00,000
[b] Other Equity	5	(1,73,687)	(1,37,758)
<b>Total equity</b>		3,26,313	3,62,242
<b>LIABILITIES</b>			
<b>(2) Current Liabilities</b>			
<b>[a] Financial liabilities</b>			
(i) Borrowings	6	3,72,72,000	3,71,86,000
[b] other current liabilities	7	10,000	10,000
<b>Total current liabilities</b>		3,72,82,000	3,71,96,000
<b>Total liabilities</b>		3,72,82,000	3,71,96,000
<b>Total equity and liabilities</b>		3,76,08,313	3,75,58,242

Notes forming part of financial statements

In terms of our report attached

For Arati Shah & Associates

Chartered Accountants

Firm's registration number: 100530W

*A. Shah*

**Arati Shah**

Proprietor

M.No.: 039718



Place : Mumbai

Dated : 29th June, 2021

For and on behalf of the Board of Directors

*K. R. Shah*

**Kalpesh R. Shah**

Director

DIN No.: 00294115

*Dhanesh B. Parikh*

**Dhanesh B. Parikh**

Director

DIN No.: 00676930

# KSHANIKA TRADING LIMITED

Statement of Profit and loss for the year 2020-2021

Particulars	Note	2020-21	2019-20
I Revenue from Operations		-	-
II Other Income		-	-
III Total Income (I+II)		-	-
IV Expenses			
[a] Other expenses	8	35,929	26,826
<b>Total Expenses</b>		<b>35,929</b>	<b>26,826</b>
V Profit / (Loss) before tax (III - IV)		(35,929)	(26,826)
VI Tax Expense			
[i] Current tax		-	-
[ii] Income Tax of Earlier Years		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
VII Profit / (Loss) for the year from continuing operations (V - VI)		(35,929)	(26,826)
VIII Profit / (Loss) from discontinued Operations		-	-
IX Tax expense from discontinued operation		-	-
X Profit / (Loss) from discontinuing operations (VIII - IX)		-	-
XI Profit / (Loss) for the year (VII + X)		(35,929)	(26,826)
XII Other Comprehensive Income (OCI)			
[a] Items that will not be re-classified to profit or loss			
(i) Measurement of defined employee benefit plans		-	-
(ii) Changes in fair value of equity instruments carried at fair value through OCI		-	-
Income tax relating to items that will not be re-classified to profit		-	-
[b] or loss		-	-
<b>Total comprehensive income (net of tax)</b>		<b>-</b>	<b>-</b>
XIII Total Comprehensive income (XI + XII)		(35,929)	(26,826)
XIV Earnings per equity share (for continuing operations)			
(1) Basic		(7.19)	(5.37)
(2) Diluted		(7.19)	(5.37)
XV Earnings per equity share (for discontinuing operations)			
(1) Basic		-	-
(2) Diluted		-	-
XVI Earnings per equity share for continuing and discontinuing operations			
(1) Basic		(7.19)	(5.37)
(2) Diluted		(7.19)	(5.37)

Notes forming part of financial statements

In terms of our report attached

For Arati Shah & Associates

Chartered Accountants

Firm's registration number: 100530W

Arati Shah  
Proprietor  
M.No.: 039718



Place : Mumbai  
Dated : 29th June, 2021

For and on behalf of the Board of Directors

K.R. Shah

Dhanesh B. Parikh

Kalpesh R. Shah  
Director

Dhanesh B. Parikh  
Director

DIN No.: 00294115

DIN No.: 00676930

# KSHANIKA TRADING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	2020-2021		2019-2020	
<b>A. Cash Flow arising from Operating Activities:</b>				
Net Profit/(Loss) Before Taxation		(35,929)		(26,82)
Add/(less) : Adjustments				
Operating Profit before Working Capital Changes		(35,929)		(26,82)
<u>Adjustment for:</u>				
(Increase)/Decrease in Non-Current Assets	(72,000)		(72,000)	
(Increase)/Decrease in Loans - Current Assets	-		74,001	
Increase/(Decrease) in Borrowings	86,000		30,000	
Increase/(Decrease) in Other Current liabilities	-		-	
		14,000		32,00
Less: Income Tax for the Year		(21,929)		5,17
<b>Net Cash inflow/(Outflow) in course of Operating Activities:</b>		<b>(21,929)</b>		<b>5,17</b>
<b>B. Cash Flow Arising from Investing Activities:</b>				
Adjustment for:				
Net Cash inflow/(Outflow) in course of Investing Activities:				
<b>C. Cash Flow Arising from Financial Activities:</b>				
Cash Inflow				
Net Cash inflow/(Outflow) in course of Financial Activities:				
<b>Net Cash outflow (A+B+C):</b>		<b>(21,929)</b>		<b>5,17</b>
Add: Opening Balance of Cash & Cash Equivalents		31,858		26,68
closing Balance of Cash & Cash Equivalents		9,929		31,85

Per our report of even date attached  
 For Arati Shah & Associates  
 Chartered Accountants  
 Firm's registration number: 100530W

A. Shah  
 Arati Shah  
 Proprietor  
 M.No.: 039718

Place : Mumbai  
 Dated : 29th June, 2021



For and on behalf of the Board of Directors

K.R. Shah  
 Kalpesh R. Shah  
 Director  
 DIN No.: 00294115

Dhanesh B. Parikh  
 Dhanesh B. Parikh  
 Director  
 DIN No.: 00676931



## KSHANIKA TRADING LIMITED

### Notes

Notes to the Ind AS financial statements for the year ended 31st March, 2021

#### A. GENERAL INFORMATION

Kshanika Trading Limited is a limited company incorporated under the provisions of the companies Act, 1956 under CIN: L51900MH1995PLC091084.

#### B. SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### B.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

###### (a) Compliance with Ind AS

The standalone financial statements of the company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

###### (b) Historical cost convention

The standalone financial statements have been prepared on an accrual and going concern basis. The standalone financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

##### B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

###### (a) Investment Property

Investment property is property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes or (b) sale in the ordinary course of business.

###### (b) Financial Instruments

###### Financial Assets

###### (i) Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

###### (ii) Subsequent measurement

###### a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

###### (iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;

a. the Company has transferred substantially all the risks and rewards of the asset, or

b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



(iv) **Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(v) **Impairment of financial assets**

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables based on historical data. The said estimation is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

**Financial Liabilities**

(i) **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

(ii) **Subsequent Measurement:**

This is dependent upon the classification thereof as under:

**Loans and Borrowings:**

After initial recognition, interest-bearing loans and borrowings repayable on demand are carried at their carrying amount. Any interest incurred and/or paid is included as finance costs in the statement of profit and loss.

(iii) **Derecognition:**

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

(c) **Inventories:**

Stores are valued at lower of cost or net realisable value. Work in Progress is valued at direct cost incurred at every construction site. No overhead expenses are added thereon.

(d) **Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue from sale of goods when:

- (i) the Company has transferred to the buyer the significant risk and reward of ownership of goods  
the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective
- (ii) control over the goods sold.
- (iii) the amount of revenue can be reliably measured
- (iv) it is probable that future economic benefits associated with the transaction will flow to the Company.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from operations includes sale of goods, services, service tax, excise duty and adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Revenue from construction business is recognized on the basis of Project Completion method subject to transfer of significant risk and rewards to the buyer, reliable estimation of the outcome of the real estate project and completion of the project reaching at 100% of total project.

(e) **Employee Benefit Schemes**

(i) **Short-term benefits:**

Employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employee.

(ii) **Post -Employment Benefits:**

Gratuity:

The Company has no defined benefit plan (the 'Gratuity Plan'). Hence the Company does not accrue for its Gratuity and it is booked on payment basis.

**Defined Contribution Plans - Provident Fund , Employee State Insurance Plan :**

The company doesnot have any defined contributions plans such as contributions to provident fund and employee state insurance schemes.



**(f) Impairment of Assets:**

An assets is treated as impaired when carrying cost of assets exceeds its recoverable value. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or company of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An Impairment loss is recognised in statement of Profit and Loss in the year in which an assets are identified as impaired.

**(g) 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 out flow of resources. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are disclosed , where an inflow of economic benefits is probable.

**(h) Tax Expense**

The tax expense for the period comprises current and deferred tax. Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

**Current Tax:**

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted , at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation . It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled , based on tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency) . The financial statements are presented in Indian rupee (₹) , which is Company's functional and presentation currency.

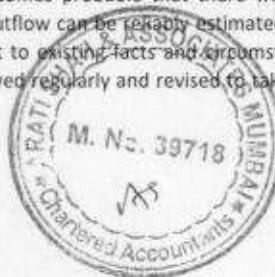
**C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgements are continually evaluated. The areas involving critical estimates and judgement are:

**(i) Estimation of fair values of Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.





(ii) Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTE	1	INVESTMENT PROPERTY	As At		As At	
			March 31, 2021		March 31, 2020	
		Investment in Property	2,34,52,549		2,33,80,549	
		<b>TOTAL</b>	<b>2,34,52,549</b>		<b>2,33,80,549</b>	

NOTE	2	CASH & CASH EQUIVALENTS	As At		As At	
			March 31, 2021		March 31, 2020	
		a) Cash on Hand	408		408	
		b) Balance with Bank	9,521		31,450	
		<b>TOTAL</b>	<b>9,929</b>		<b>31,858</b>	

NOTE	3	CURRENT FINANCIAL ASSETS - LOANS (Unsecured & Considered Good)	As At		As At	
			March 31, 2021		March 31, 2020	
		a) Loans Given to Corporate Bodies	1,41,45,835		1,41,45,835	
		<b>TOTAL</b>	<b>1,41,45,835</b>		<b>1,41,45,835</b>	

NOTE	4	EQUITY SHARE CAPITAL	As At March 31, 2021		As At March 31, 2020	
			Units	Amount	Units	Amount
		<b>AUTHORISED SHARE CAPITAL</b>				
		Equity Shares of ₹ 100/- each	5,000	5,00,000	5,000	5,00,000
		<b>ISSUED SUBSCRIBED &amp; PAID-UP</b>				
		Equity Shares of ₹ 100/- each fully paid-up	5,000	5,00,000	5,000	5,00,000
		<b>TOTAL</b>	<b>5,000</b>	<b>5,00,000</b>	<b>5,000</b>	<b>5,00,000</b>

Details of Share Holders holding more than 5% Equity shares in the company at the end of the Year.

NAME OF SHAREHOLDERS	As At March 31, 2021		As At March 31, 2020	
	%	No of Shares	%	No of Shares
Hindustan Appliances Limited	100.00	5,000	100.00	5,000

Terms/Rights attached to Equity Shares

The Company has only one class of Equity shares having par value of ₹.10/- per shares. Each shareholders of equity shares is entitled to one vote per share.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their share holding.

Reconciliation of number of shares outstanding :

PARTICULARS	As At March 31, 2021		As At March 31, 2020	
	No of Shares		No of Shares	
Equity shares at beginning of the year	5,000		5,000	
Shares issued during the year	-		-	
Shares bought back during the year	-		-	
Equity Shares at the end of the year	5,000		5,000	

NOTE	5	OTHER EQUITY	As At March 31, 2021		As At March 31, 2020	
			No of Shares		No of Shares	
		a) Retained Earnings				
		As per last balance sheet	(1,37,758)		(1,10,932)	
		Add: Profit / (Loss) for the year	(35,929)		(26,826)	
		<b>TOTAL</b>	<b>(1,73,687)</b>		<b>(1,37,758)</b>	

NOTE	6	BORROWINGS	As At		As At	
			March 31, 2021		March 31, 2020	
		a) Loan from Holding Company	3,72,36,000		3,71,86,000	
		b) Loan from Corporate Bodies	36,000		-	
		<b>TOTAL</b>	<b>3,72,72,000</b>		<b>3,71,86,000</b>	



NOTE	7	OTHER CURRENT LIABILITIES	As At March 31, 2021	As At March 31, 2020
		a) Other Payables	10,000	10,000
		<b>TOTAL</b>	<b>10,000</b>	<b>10,000</b>

7.1 There are no amounts due for payment to the investor education and protection fund under section 125 of the Companies Act, 2013 as at the year end.

NOTE	8	OTHER EXPENSES	2020-2021	2019-2020
		Rates & Taxes	11,100	2,000
		Payment to Auditors:		
		- Towards Audit Fee	10,000	10,000
		Legal & Professional Expenses	14,000	14,000
		Miscellaneous Expenses	829	826
		<b>TOTAL</b>	<b>35,929</b>	<b>26,826</b>

NOTE	9	EARNING PER SHARE	2020-2021	2019-2020
		Net Profit/(Loss) after tax	(35,929)	(26,826)
		Weighted average No. of Shares	5,000	5,000
		Nominal value per Share (₹)	10	10
		Earnings per Share	(7.19)	(5.37)
		Diluted Earnings per Share	(7.19)	(5.37)

NOTE 10 In the opinion of the management, Loans & Advances and trade receivables have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the books of accounts.

NOTE 11 Provision for accruing of liabilities for gratuity in terms of Ind AS 19 "Employee Benefits" issued by The Institute of Chartered Accounts of India has not been made in the accounts. The figure of which is not ascertainable. However same is accounted on cash basis.

NOTE 12 The Company is not engaged in any operational Business and Hence Segment reporting is not applicable to the company.

NOTE	13	IMPORTS (VALUES ON CIF)	2020-2021	2019-2020
		CIF value of Imports	Nil	Nil

NOTE	14	FOB VALUE OF GOODS EXPORTED	2020-2021	2019-2020
		FOB value of goods exported	Nil	Nil

NOTE	15	ACTIVITY IN FOREIGN CURRENCY	2020-2021	2019-2020
		Earnings in Foreign currency	Nil	Nil
		Expenditure in Foreign currency	Nil	Nil

NOTE	16	REMITTANCE IN FOREIGN CURRENCY	2020-2021	2019-2020
		For payment of Dividend	Nil	Nil

NOTE 17 As the Company does not fulfill the criteria specified in section 135 of the companies Act read with rule 3 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 ('CSR Rules') for three consecutive Financial Years, CSR Provisions is not applicable to the company.

NOTE 18 Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair values or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

NOTE 19 The previous year's figures have been regrouped & recast wherever necessary to make them comparable.



**NOTE 20 Related Party Transactions**

Related party disclosure in accordance with the Accounting Standard 18-issued by the Institute of chartered Accountants of India is as under

NAME OF THE RELATED PARTY	RELATIONSHIP
M/s. Hindustan Appliances Limited	Holding Company
Shri Bharat Chotalal Bhayani	Key Managerial Personnel (KMP)
Shri Kalpesh Rameshchandra Shah	
Shri Dhanesh Vipin Parikh	Key Managerial Personnel (KMP)

(₹ in Lakhs)

The following transactions were carried out with the related parties in the ordinary course of business.

Nature Of Transaction	Holding Co.	KMP
Loan Taken	0.50	-
	(0.30)	-
Closing Balance (Cr)	372.36	-
	(371.86)	-

Figures in brackets refers to previous year figures.

Per our report of even date

For Arati Shah & Associates

Chartered Accountants

Firm's registration number: 100530W

*A. Shah*

Arati Shah

Proprietor

M.No.: 039718

Place : Mumbai

Dated : 29th June, 2021



For and on behalf of the Board of Directors

*K. R. Shah Dhanesh B. Parikh*

Kalpesh R. Shah

Director

DIN No.: 00294115

Dhanesh B. Parikh

Director

DIN No.: 00676930



## KSHANIKA TRADING LIMITED

### Statement of Changes in Equity

#### A Equity Share Capital

Particulars	
Balance as at April 01, 2019	5,00,000
Changes during the year	-
Balance as at March 31, 2020	5,00,000
Changes during the year	-
Balance as at March 31, 2021	5,00,000

#### B Other Equity

Particulars	Reserves and Surplus		Items of OCI		Total
	General Reserves	Retained Earnings	Equity instruments through OCI	Remeasurements of employee benefits expense	
Balance as on April 01, 2019	-	(1,10,932)	-	-	(1,10,932)
Profit/(Loss) for the year	-	(26,826)	-	-	(26,826)
Other comprehensive income (net of tax)	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	(26,826)	-	-	(26,826)
Dividends including tax on dividend	-	-	-	-	-
Balance as on March 31, 2020	-	(1,37,758)	-	-	(1,37,758)
Profit/(Loss) for the year	-	(35,929)	-	-	(35,929)
Other comprehensive income (net of tax)	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	(35,929)	-	-	(35,929)
Dividends including tax on dividend	-	-	-	-	-
Balance as on March 31, 2021	-	(1,73,687)	-	-	(1,73,687)

