

Independent Auditors' Report

To the Members of K B Exports (P) Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of K.B. Exports (P) Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").
2. 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 principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its Profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

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

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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 Financial Statements

5. 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 Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. 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.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.
10. 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.
 11. 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

12. As required by the Companies (Auditor's Report) Order, 2016 ("the order") as amended issued by 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 in the paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, 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 purpose 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), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Boards of Directors, none of the directors is disqualified as on 31st March, 2019 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' and
 - (g) With respect to the other matters to be included in the Auditor's Report in the accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations, which would impact its financial position.
 - (ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts; and

- (iii)** There was no amount, which was required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv)** The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

**For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N**

Place: Delhi
Date: 14/05/2019

**Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273**

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORTS

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

- 1. a)** In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such physical verification.

c) According to the information and explanation 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.
- 2.** As explained to us, and on Financial Statements verified by us, the company has no inventory; hence clause 3(ii) of the said order is not applicable to the company.
- 3.** In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly sub-clauses (a), (b) and (c) of clause 3(iii) of the Order are not applicable to the Company.
- 4.** To the best of our knowledge and according to the information and explanation given to us, the company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under section 185 and 186. Hence the clause 3(iv) of the order is not applicable.
- 5.** According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, clause (v) of the Order is not applicable to the Company.
- 6.** In our opinion and according to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products of the Company hence the clause 3(vi) of the order is not applicable.
- 7. a)** According to the records of the company verified by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth-tax, GST, sales-tax, value added tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. No undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, value added tax, service tax, customs duty and excise duty, cess, were outstanding, as at March 31, 2019 for a period of more than six months from the date they became payable.

b) According to the records of the company, there are no material dues of income-tax, wealth-tax, GST, sales tax, value added tax, service tax, customs duty, excise duty, cess which have not been deposited on account of any dispute.
- 8.** The Company does not have any loans or borrowing from any financial institution, bank, government or debenture holders during the year. Accordingly, clause 3(viii) of the Order is not applicable.

9. The Company has not raised any money by way of public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. According to the records of the company verified by us, the company has not paid managerial remuneration during the year under consideration; hence section 197 read with Schedule V of the Act and clause 3(xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, Company is not a Nidhi company as prescribed under Section 406 of the Act. Accordingly, clause 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, there are no transaction with the related parties as prescribed under Section 188 of the Act, therefore, clause 3(xiii) of the Order is not applicable.
14. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the company.
15. According to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with them, therefore, clause 3(xv) is not applicable.
16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, therefore, clause 3(xvi) of the Order is not applicable.

**For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N**

Place: Delhi
Date: 14/05/2019

**Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273**

'Annexure B' to the Auditors' Report

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 with reference to financial statements of K B Exports (P) Ltd. ('the Company') as on 31st March, 2019 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 with reference to financial statements 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 ('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 the 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 Act.

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 Act, 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 required 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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls 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 the authorizations of the management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at 31st March, 2019, 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.

**For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N**

Place: Delhi
Date: 14/05/2019

**Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273**

K B Exports Private Limited
5190, Lahori Gate, Delhi-110006

BALANCE SHEET
As at March 31, 2019

(Amount in Lacs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non- Current Assets			
Property, Plant and Equipment	3	284.58	284.58
Total (A)		284.58	284.58
Current Assets			
Financial assets			
Cash and Cash equivalents	4	0.40	0.67
Bank balance other than cash and cash equivalents	5	10.02	9.43
Other Current Assets	6	0.13	0.13
Total (B)		10.56	10.22
TOTAL ASSETS (A+B)		295.14	294.81
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	300.00	300.00
Other Equity	8	-5.02	-5.32
Total (C)		294.98	294.68
LIABILITIES			
Current Liabilities			
Provisions		0.12	0.06
Liability for current tax (net)		0.04	0.07
Total (D)		0.16	0.13
TOTAL EQUITY AND LIABILITIES (C+D)		295.14	294.81

The Accompanying Notes form an integral part of the Financial Statements 1-11

Annexure to our Report of Date
For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N

Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273

Place : Delhi
Date : 14/05/2019

For K B Exports Private Limited
On behalf of the Board

Sd/-
(Anil Kumar Mittal)
Director
DIN-00030100

Sd/-
(Anoop Kumar Gupta)
Director
DIN-00030160

K B Exports Private Limited
5190, Lahori Gate, Delhi-110006

STATEMENT OF PROFIT AND LOSS
For the year ended March 31, 2019

(Amount in Lacs)

Particulars	Notes	Year Ended March 31, 2019	Year Ended March 31, 2018
Income			
Revenue from Operations		-	-
Other Income	9	0.66	0.62
Total		0.66	0.62
Expenses			
Other expenses	10	0.26	0.12
Total		0.26	0.12
Profit/(Loss) before exceptional items and tax		0.41	0.50
Exceptional items			
Profit/(Loss) before tax		0.41	0.50
Tax Expense			
Current Year		0.11	0.13
Total Tax Expense		0.11	0.13
Profit/(Loss) for the year		0.30	0.37
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		0.30	0.37
Earnings per equity share (Face Value of Rs. 10 Each):			
(1) Basic		0.01	0.02
(2) Diluted		0.01	0.02

The Accompanying Notes form an integral part 1-11
of the Financial Statements

Annexure to our Report of Date
For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N

For K B Exports Private Limited
On behalf of the Board

Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273

Sd/-
(Anil Kumar Mittal)
Director
DIN-00030100

Place : Delhi
Date : 14/05/2019

Sd/-
(Anoop Kumar Gupta)
Director
DIN-00030160

K B Exports Private Limited
5190, Lahori Gate, Delhi-110006

CASH FLOW STATEMENT
For the year ended March 31, 2019

(Amount in Lacs)

S.No.	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit/(Loss) before tax	0.41	0.50
	Operating profit before Working Capital Changes	0.41	0.50
	Adjustments for Working Capital Changes		
	Increase /(Decrease) in Other Current Liabilities	0.03	0.07
	(Increase)/Decrease in Other Current Assets	0.00	-0.13
	Cash generated from operations	0.44	0.44
	Tax Paid (Net)	-0.11	-0.13
	NET CASH FLOW FROM OPERATING ACTIVITIES (TOTAL A)	0.33	0.31
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Movement in Deposits (Net)	-0.59	-9.34
	NET CASH FLOW FROM INVESTING ACTIVITIES (TOTAL B)	-0.59	-9.34
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	NET CASH FLOW FROM FINANCING ACTIVITIES (TOTAL C)	-	-
	NET CHANGES IN CASH & CASH EQUIVALENTS (TOTAL A+B+C)	-0.26	-9.03
	Cash and cash equivalents at the beginning of the year	0.67	9.79
	Cash and cash equivalents at the end of the year	0.41	0.67
	Cash and cash equivalents		
	Cash in Hand	0.00	0.00
	Balance with Scheduled Bank	0.40	0.66
	Total	0.41	0.67

Notes:

- 1 This statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS) 7 on 'Statement of Cash Flows' as specified in Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- 2 Figures in brackets represents outflows.
- 3 Previous year figures have been recast/rearrange wherever considered necessary.

Annexure to our Report of Date
For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N

For K B Exports Private Limited
On behalf of the Board

Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273

Sd/-
(Anil Kumar Mittal)
Director
DIN-00030100

Place : Delhi
Date : 14/05/2019

Sd/-
(Anoop Kumar Gupta)
Director
DIN-00030160

K.B. Exports Private Limited
5190, Lahori Gate, Delhi-110006

STATEMENT OF CHANGES IN EQUITY
For the year ended March 31, 2019

(Amount in Rupees)

Particulars	Equity Share Capital	Other Equity	Total equity
		Retained Earnings	
Balance as at April 01, 2017	300.00	-5.69	294.31
Profit for the year	-	0.00	0.00
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	-5.69	-5.69
Other change during the period	-	-	-
Balance as at March 31, 2018	300.00	-5.69	294.31
Balance as at April 1, 2018	300.00	-5.69	294.31
Profit for the year	-	0.30	0.30
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	-	-5.39	-5.39
Other change during the period	-	-	-
Balance as at March 31, 2019	300.00	-5.39	294.61

Annexure to our Report of Date
For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N

For K B Exports Private Limited
On behalf of the Board

Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273

Sd/-
(Anil Kumar Mittal)
Director
DIN-00030100

Place : Delhi
Date : 14/05/2019

Sd/-
(Anoop Kumar Gupta)
Director
DIN-00030160

K B EXPORTS PRIVATE LIMITED

Regd. Office: 5190, Lahori Gate, Delhi-110006

CIN: - U70200DL1998PTC096113 **Mail id:** - bibhu@krblindia.com

Tel: - +91-11-23968328 **Fax:** - +91-11-23968327

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Company Information

K B Exports Private Limited (the Company) is Domestic Private Limited Company. The Company is the Subsidiary Company of KRBL Limited.

2. Significant Accounting Policies adopted in preparation and presentation of financial statements.

2.1 Basis of Preparation of Financial Statements

a) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Financial Statements have been prepared on the historical cost convention on going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Use of Estimates: - The Preparation of financial statements requires Management to make certain estimates and assumptions that affect the reported amount of the financial Statements and Notes thereto. Difference between actual results and estimates are recognized in the period in which they materialize.

2.2 Property, Plant and Equipment including intangible Assets

Property, Plant and Equipment are stated at cost of acquisition / installation inclusive of freight, duties, taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. All up gradation / enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

Freehold Land is stated at original cost of acquisition.

2.3 Depreciation

Depreciation on Property, Plant and Equipment has been provided on straight line method, in terms of useful life of the assets at prescribed rates in Schedule II of the Companies Act, 2013.

2.4 Financial Assets

Classification: The Company classifies its financial assets in the following measurement categories:

- i.** those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- ii.** those measured at amortised cost.

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

Measurement: At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

2.5 Inventories

Items of inventories are measured at lower of cost or net realizable value.

The cost is calculated on weighted average cost method and it comprises expenditure incurred in normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving & defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

2.6 Cash and Cash Equivalent

- Cash and cash equivalents are short-term, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.7 Revenue Recognition

The Company has applied Ind AS 115 "Revenue from Contracts with Customers". Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Identifying the performance obligations

Under Ind AS 115, the Company must evaluate the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it).

Determining the transaction price

Under Ind AS 115, the Company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognising revenue when/as performance obligation(s) are satisfied.

Revenue 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, regardless of when the payment is being made.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

In the comparative period presented in financial statements, revenue was measured at the fair value of the consideration received or receivable. Revenue from the sale of goods was recognised when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, there was no continuing management involvement with the goods and the amount of revenue could be measured reliably.

Sale of traded goods:

For transfer of goods, the Company recognizes revenue when the customers obtain the control of goods. This usually happens when the customer gains right to direct the use of and obtained substantially all benefits from the goods. For the goods sold, the Company receives amount majorly in advance from the customers and therefore there are not any significant financing components involved.

Revenue 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, regardless of when the payment is being received.

Revenue is measured at the fair value of the consideration received or receivable. Revenue excludes sales tax/value added tax/service tax/goods and service tax.

The specific recognition criteria described above must also be met before revenue is recognized:

2.8 Borrowing

- Borrowings are recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

2.17 Borrowing Costs

- Interest and other borrowing costs attributable to qualifying assets are capitalised as a part of such assets till such time the assets are ready for use. Other interest and borrowing costs are charged to Statement of Profit and Loss.

2.18 Income taxes

- The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences.
- Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in

equity, respectively the liability of Company on Account of Income Tax is estimated considering the provisions of Income tax Act 1961.

- Deferred tax is recognized subject to the consideration of prudence on timing differences being the difference between book and tax profits that originate in one year and capable of reversal in one or more subsequent years.

2.19 Leases

i) As a lessee:

- Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

ii) As a lessor:

- Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

2.20 Provisions, Contingent Liability and Contingent Assets

- The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent Assets neither recognised nor disclosed in the Financial Statement.

2.23 Impairment of Financial Asset

- Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

2.24 Impairment of Non-Financial Asset

- The Company assesses at each Balance Sheet date whether there is any indication that an assets may be impaired. If any such Indication exists; the Company estimates the recoverable amount of assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of Profit & Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at recoverable amount.

K B Exports Private Limited
5190, Lahori Gate, Delhi-110006

(Amount in Lacs)

Note 3: Property, Plant and Equipment	As at March 31, 2019	As at March 31, 2018
Land at Ghaziabad	284.58	284.58
Total	285	285

Note 4: Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks In Current Accounts	0.40	0.66
Cash on hand	0.00	0.00
Total	0.40	0.67

Note 5: Bank balance other than cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Unsecured Considered Good FDR With HDFC bank (Deposits with banks with original maturity of More than 12 Months)	10.02	9.43
Total	10.02	9.43

Note 6: Other Current Assets	As at March 31, 2019	As at March 31, 2018
Interest Receivable	0.13	0.13
Total	0.13	0.13

Note 7: Equity Share Capital	As at March 31, 2019	As at March 31, 2018
A) Authorised 50,00,000 (previous Year 50,00,000) Equity shares of Re. 10 each	500.00	500.00
Total	500.00	500.00
B) Issued & Subscribed 30,00,000 (P.Y. 30,00,000) Ordinary Equity Shares of Re. 10 each	300.00	300.00
Total	300.00	300.00
C) Paid up 30,00,000 (P.Y. 30,00,000) Ordinary Equity Shares of Re. 10 each	300.00	300.00
Total	300.00	300.00

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

Particulars	31 st March 2019		31 st March 2018	
	No of	(Rs. In Lacs)	No of Shares	(Rs. In Lacs)
Ordinary Equity Shares issued during the year	30,00,000	300	30,00,000	300
Ordinary Equity Shares issued during the year	-	-	-	-
Ordinary Equity Shares bought back during the year	-	-	-	-
Ordinary Equity Shares outstanding at the end of the year	30,00,000	300	30,00,000	300

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company did not declare any dividend on equity shares for the year ended March 31, 2019 and March 31, 2018. The dividend if proposed by the Board of Directors, is subject to the approval of shareholders in the Annual General Meeting, except interim dividend.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding March 31, 2019.

The Company has not issued bonus shares, equity shares for consideration other than cash and also no shares have been bought back during the period of five years immediately preceding the reporting date.

C) Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholders	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Anil Kumar Mittal	2,96,500	9.88%	2,96,500	9.88%
Arun Kumar Gupta	2,96,500	9.88%	2,96,500	9.88%
Anoop Kumar Gupta	2,96,500	9.88%	2,96,500	9.88%
KRBL Ltd.	21,00,000	70.00%	21,00,000	70.00%

Note 8: Other Equity	As at March 31, 2019	As at March 31, 2018
Retained earnings		
As at 1 April	-5.32	-5.69
Changes during the period	0.30	0.37
As at end of Period	-5.02	-5.32

Nature and description of Other Equity is as follows:

Retained Earnings

Comprises of balance of profit and loss at each year end.

Note 9: Other Income	As at March 31, 2019	As at March 31, 2018
Interest income from FDR	0.66	0.62
Total	0.66	0.62

Note 10: Other Expenses	As at March 31, 2019	As at March 31, 2018
Audit Fee (Refer note a below)	0.18	0.06
Filing Fee	0.03	0.06
Legal & Professional Exp.	0.05	-
Misc. Expenses	0.00	0.00
Total	0.26	0.12

a. Payment to Auditors	As at March 31, 2019	As at March 31, 2018
Audit fees	0.18	0.06
Tax audit	-	-
Reimbursement of expenses	-	-
Total payments to auditors	0.18	0.06

11. NOTES TO ACCOUNTS

11.1 In line with the method recommended by the Indian Accounting Standard, there is no cumulative deferred tax asset or liability as at the year ended 31st March, 2018 of the Company. Moreover, as the Company has not undertaken any business activity during the year, no deferred tax asset or liability has arisen for the year and the balance of deferred tax asset / liability remains Nil as at the year ended 31st March, 2019.

11.2 Managerial Remuneration to Directors :- Nil

11.3 CIF Value of Imports, earning in Foreign Currency and Expenditure in foreign currency :- NIL

11.4 Particulars regarding quantitative details are not applicable, as the Company did not undertake any business during the year.

11.5 Claims against the Company not acknowledged as debts:-Nil

11.6 Previous year figures have been regrouped/recast wherever found necessary to make them comparable with previous year figures.

11.7 Income tax recognized in profit and loss

Current income tax:

In respect of current year : Rs 0.11 Lacs
Adjustment in respect of previous years : Nil
MAT credit entitlement : Nil

Deferred tax:

Relating to origination and reversal of temporary differences : Nil

Income tax expenses reported in statement of profit and loss : Rs 0.11 Lacs

Income tax recognized in Other comprehensive income

Deferred tax: Nil

Re-measurement of losses on defined benefit plans : Nil

Classification of income-tax recognized in other comprehensive income

Income-taxes related to items that will not be reclassified to profit and loss : Nil

Income-taxes related to items that will be reclassified to profit and loss : Nil

11.8 : Loss per equity share (Basic and diluted)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit attributable to equity shareholders	Rs.0.30 Lacs	Rs. 0.37 Lacs
Number of equity share outstanding at the beginning	3,000,000	3,000,000
Number of equity share outstanding at the end	3,000,000	3,000,000
Weighted average number of equity shares for basic and diluted earnings per share (Face value of ₹10 per share)	3,000,000	3,000,000
Loss per equity share (Basic and diluted)	Rs 0.01	Rs 0.02

11.9 Related Party Disclosures as per Indian Accounting Standard IND AS-24

A) Related parties and their relationship :

1) Holding Company : KRBL Limited
No. of Equity Shares held 21,00,000 (70% Share)

2) Key Managerial Personnel

Mr. Anil Kumar Mittal : Director
Mr. Arun Kumar Gupta : Director
Mr. Anoop Kumar Gupta : Director

3) Relatives of Key Management Personnel

Mrs. Preeti Mittal : Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta : Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta : Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal : Son of Mr. Anil Kumar Mittal
Mrs. Sonali Mittal : Wife of Mr. Ashish Mittal
Mrs. Neha Singh : Daughter of Mr. Arun Kumar Gupta
Ms. Priyanka Mittal : Daughter of Mr. Anil Kumar Mittal
Ms. Rashi Gupta : Daughter of Mr. Anoop Kumar Gupta
Mr. Kunal Gupta : Son of Mr. Arun Kumar Gupta
Mrs. Avantika Gupta : Wife of Mr. Kunal Gupta
Mr. Akshay Gupta : Son of Mr. Anoop Kumar Gupta
Mrs. Anushree Gupta : Wife of Mr. Akshay Gupta
Mr. Ayush Gupta : Son of Mr. Anoop Kumar Gupta
Mrs. Sanchi Gupta : Wife of Mr. Ayush Gupta
Anil Kumar Mittal HUF : Mr. Anil Kumar Mittal is Karta of HUF
Arun Kumar Gupta HUF : Mr. Arun Kumar Gupta is Karta of HUF
Anoop Kumar Gupta HUF : Mr. Anoop Kumar Gupta is Karta of HUF

4) Enterprises over which key management personnel/ Relatives of Key Management Personnel are able to exercise significant influence:

Khushi Ram Behari Lal : Partnership Firm in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Partners.

KRBL Limited : Public Limited Company in which Mr. Anil K. Mittal is Chairman and Managing Director, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, both are Joint Managing Directors and Ms. Priyanka Mittal is Whole Time Director.

Anurup Exports Private Limited : Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.

Padmashasta Warehousing Private Limited : Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.

Aakash Hospitality Private Limited : Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.

Holistic Farms Private Limited	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Radha Raj IT City & Parks Private Limited	:	Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Radha Raj Infrastructure Private Limited	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
KRBL Foods Limited	:	Public Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta, Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Adwet Warehousing Private Limited	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Radha Raj Logistics Private Limited	:	Private Limited Company in Which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
India Gate Foods Private Limited (Formerly known as K B Foods Private Limited)	:	Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta, Anoop K. Gupta, Ms. Priyanka Mittal, Mr. Ashish Mittal & Mr. Kunal Gupta are Directors.
KRBL Infrastructure Limited	:	Public Limited Company in Which Mr. Anil K. Mittal, Mr. Arun K. Gupta, Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Solid Infradevelopers Private Limited	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.

5) Trust/Society over which key management personnel are able to exercise significant influence:

Seth Banwari Lal Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Khushi Ram Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Banwari Lal Education Society	:	Society in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Anil Kumar Mittal Children Welfare Trust	:	Trust in which Mr. Arun K. Gupta & Mr. Anoop K. Gupta are trustees.
Arun Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Anoop K. Gupta are trustees.
Anoop Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Arun K. Gupta are trustees.
Anil Mittal Family Trust	:	Trust in which Mr. Anil K. Mittal and Mrs. Preeti Mittal are trustees.
Anoop Kumar Gupta Family Trust	:	Trust in which Mr. Anoop K. Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are trustees.

- Arun Kumar Gupta Family Trust : Trust in which Mr. Arun K. Gupta and Mr. Kunal Gupta are trustees.
- Anulika Gupta Family Trust : Trust in which Mr. Arun K. Gupta and Mrs. Anulika Gupta are trustees.
- Binita Gupta Family Trust : Trust in which Mr. Anoop K. Gupta and Mrs. Binita Gupta are trustees.
- Ashish Mittal Family Trust : Trust in which Mr. Anil K. Mittal, Mrs. Preeti Mittal and Mr. Ashish Mittal are trustees.
- Priyanka Mittal Family Trust : Trust in which Mr. Anil K. Mittal, Mrs. Preeti Mittal and Ms. Priyanka Mittal are trustees.

**As per our report of even date attached
For SPMR & Associates
Chartered Accountants
Firm Registration No.: 007578N**

**For K B Exports Private Limited
On behalf of the Board**

**Sd/-
(Ajay Kumar Mittal)
Partner
Membership No.: 95273**

**Sd/-
(Anil Kumar Mittal)
Director
Din-00030100**

Place: Delhi.
Date: 14/05/2019

**Sd/-
(Anoop Kumar Gupta)
Director
Din-00030160**