

KANAK PROJECTS LTD

CIN: L67020WB1979PLC031867

Registered Office: "Kanak Building" 41, Chowringhee

Road, Kolkata, West Bengal – 700071

43<sup>rd</sup> Annual Report

2021-2022

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**Kanak Projects Limited**  
**Regd. Office: 41, Chowringhee Road, Kanak Building, Kolkata 70**  
**0071**  
**Tel: 2288 3970**  
**Email: [dlapkanak@gmail.com](mailto:dlapkanak@gmail.com)**  
**Website: [www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)**  
**CIN: L67020WB1979PLC031867**

## **NOTICE**

NOTICE is hereby given that the 43<sup>rd</sup> Annual General Meeting of the members of KANAK PROJECTS LIMITED will be held at Kanak Building, 41 Chowringhee Road, Kolkata - 700071 on Thursday, 29<sup>th</sup> September, 2022 at 11:00 A.M to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2022 (including Audited Consolidated Financial Statement) and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nikhil Prakash (DIN: 00434328) who retires by rotation at this Meeting and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

**To consider and, if thought fit, to pass the following resolutions as a SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for entering into and/or proposed to be entered into and/ or continuing with Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and each of the party(ies) namely M/s Purbanchal Concast Private Limited, M/s DLX Limited, M/s Arihant Solvex Private Limited, M/s Amrita Media Private Limited, M/s Barsana Farms Private Limited, Mr. Anshuman Prakash, Mr. Nikhil Prakash and Mr. Sidhant Prakash, being Related Party (ies) within the meaning of Regulation 2(1)(zb) of the SEBI LODR, during the financial year ending on March 31, 2022 and upto the date of the 44<sup>th</sup> Annual General Meeting of the Company to be held in the year 2023, with respect to Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) as mentioned in detail in the Explanatory Statement annexed herewith whether by way of fresh or renewal(s) or extension(s) or any modification(s) of earlier Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) or otherwise including payment of interest or levy of charges for any services provided by the Company, from time to time on such terms and conditions as may be mutually agreed between the Company and the aforementioned Related Parties of the Company, notwithstanding the fact that the maximum balance at any day during the financial year 2022-23 and for the next financial year and upto the date of the 44<sup>th</sup> Annual General Meeting of the Company to be held in the year 2023, may exceed or have exceeded Rs. 1000 crores or 10 per cent of the annual consolidated turnover of the Company for the relevant financial year, whichever is lower, as prescribed under SEBI LODR or any other materiality threshold, as may be applicable from time to time, for each such Party, provided however, that the said Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Members of the Company do hereby approve and accord approval to the Board (hereinafter referred to as “ the Board” which terms shall include any committee thereof), to sign and execute all such documents, deeds and writings, including filing the said documents, etc., and do all such acts, deeds, matters and things and take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members, and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Members of the Company, do hereby also accord approval to the Board to delegate all or any of its powers herein conferred to any Director(s)/ Officer(s) of the Company, in accordance with applicable laws, to do all such acts, deeds, matters and things and also to execute such documents, writings, etc., as may be considered necessary or expedient to give effect to the aforesaid resolutions.”

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and Confirmed in all respect.”

Date: 04.09.2022

Place:Kolkata

CIN:L67020WB1979PLC031867

Registered Office:

41, Chowringhee Road

Kolkata-700071

Ph:91-33-2288-3970/3972

Fax:91-33-2243-5462/2288-3581

E-mail:[dlapkanak@gmail.com](mailto:dlapkanak@gmail.com)

Website:[www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)

By Order of theBoard  
Kanak Projects Limited

Anshuman Prakash  
Director

## **NOTES:**

1. The Register of Members and Share Transfer Register of the Company shall remain closed from 23<sup>rd</sup> September, 2022 to 29<sup>th</sup> September, 2022 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy in order to be effective, must be duly completed, signed, stamped and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
3. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution/Power of Attorney, authorizing their representatives to attend and vote at the Annual General Meeting.
4. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar & Share Transfer Agents. Members holding shares in electronic form may obtain the Nomination forms from their respective depository participants.
5. Members are requested to notify immediately any change of address and also particulars of their Bank Accounts viz., Name of the bank, branch, complete address of the bank and bank account number for printing the same on the Dividend Warrants to avoid fraudulent encashment:
  - To their Depository Participants (DP) in respect of their Demat Account(s); and
  - To the Company at its registered office or to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form.
6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease of portfolio management. Members can contact the Company or Niche Technologies Private Limited for this purpose.
7. Members/ Proxies are requested to produce the attendance slip duly signed as per the specimen signature recorded with the Company, for admission to the meeting hall.
8. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order or names are requested to send the share certificates to the Company's Registrar and Share Transfer Agents for consolidation into a single folio.

9. In case of joint holders attending the meeting, the Members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Members are requested to notify immediately any change of address to the Depository Participants in respect of electronic share accounts and to the Registrars and Transfer Agents, NICHE TECHNOLOGIES PRIVATE LIMITED, 3A, Auckland Place 7th Floor, Room No. 7A & 7B, Kolkata 700017 in respect of physical share accounts.
11. In case the mailing address mentioned in the Annual Report is without the Pin Code, members are requested to inform their Pin Code immediately.
12. Members are requested to bring their copy of the Annual Report to the meeting.
13. Pursuant to sections 101 and 136 of the Companies Act, 2013, read with the relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not yet registered their e-mail address with the Company or their Depository are requested to do so.
14. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with NICHETECHNOLOGIESPRIVATELIMITED Depositories.
15. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), the Company is providing the facility to Members to exercise their right to vote by electronic means. The Company has engaged the Services of CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED for providing e-voting facilities. **The e-voting rights of the Members/beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 22.09.2022 (Cut-off date fixed for this purpose). The e-voting period will commence at 09:00 a.m. on 26<sup>th</sup> September, 2022, and will end at 5:00 p.m. on 28<sup>th</sup> September, 2022.** The Company has appointed CS Shristi Garg, Practicing Company Secretary, to act as Scrutinizer, for conducting the scrutiny of the votes cast. Detailed instructions for availing e-voting facility are being sent separately as a part of this Notice.
16. A copy of this Notice has been placed on the website of the Company and the website of CDSL.

Date: 04.09.2022

Place: Kolkata

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E-

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[www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)

By Order of the Board  
Kanak Projects Limited

Anshuman Prakash  
Director

**Voting through Electronic means:**

- I) In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendments Rules, 2015 and Regulation 44 of SEBI(Listing Obligations and Disclosure Requirements), the Company is pleased to provide members facility to execute their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system for a place other than venue of the AGM ("remotee-voting")willbeprovidedbyCentralDepositoryServicesIndiaLimitedCDSL).
- II) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their voteagain.

**III) Theprocessandmannerforremotee-votingareasunder:**

- (i) The remote e-voting period commences on Friday, 26<sup>th</sup> September, 2022 (09.00 a.m. IST) and ends on Wednesday, 28<sup>th</sup>September, 2022 (5.00 p.m. IST). During this period, members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 22<sup>nd</sup>September 2022, may cast their vote by remote e- voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change itsubsequently.
- (ii) The shareholders should log on to the e-voting website[www.evotingindia.com](http://www.evotingindia.com)during the votingperiod.
- (iii) Click on "Shareholders"tab.
- (iv) Now Enter your UserID:  
a. For CDSL : 16 digits beneficiaryID,  
b. For NSDL : 8 Character DP ID followed by 8 Digits ClientID,  
c. MembersholdingsharesinPhysicalFormshouldenterFolioNumberregisteredwith the Company, excluding the specialcharacters.
- (v) Next enter the Image Verification as displayed and Click onLogin.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps givenbelow.

For Members holding shares in Demat Form and Physical Form	
PAN	Enteryour10digitalalpha-numericPANissuedbyIncomeTaxDepartment(Applicablefor both Demat shareholders as well as physicalshareholders)
	<ul style="list-style-type: none"><li>MemberswhohavenotupdatedtheirPANwiththeCompany/Depository Participant are requested to use the two letters of their names and the 8 digit of the sequence number in the PANField.</li><li>Incasethesequencenumberislessthan8digitsentertheapplicablenumberof0's beforethenthe numberafterthefirsttwocharactersofthenameinCAPITALletters.Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PANField.</li></ul>

DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Bank Account Number in order to Login.</li> <li>• If both the details are not recorded with the depository or company then please enter the member-id/folio number in the Bank Account Number details field as mentioned in above instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. KANAK PROJECTS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xviii) Notes for Institutional Shareholders & Custodians:**

- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) & Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp & signed of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- 20) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of duly authorized signatory (ies) who are authorized to vote through e-mail at [shristigarg07@gmail.com](mailto:shristigarg07@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 26<sup>th</sup> September, 2022, up to 11.00 A.M. without which the vote shall not be treated as valid.
- 21) The voting right of shareholders shall be in proportion to their shares of the paid-up equity capital of the Company as on the cut-off date of Thursday, 22<sup>nd</sup> September, 2022.
- 22) The shareholders shall have one vote per equity share held by them as on the cut-off date of Wednesday, Thursday, 22<sup>nd</sup> September, 2022. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
- 23) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 22<sup>nd</sup> September, 2022, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- 24) Notice of the AGM along with attendance slip, proxy form along with the process instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and those who have not registered their email address, physical copies of the same are being sent through the permitted mode.

- 25) Investors who became members of the Company subsequently to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. Thursday, 22<sup>nd</sup> September, 2022, are requested to send the written/email communication to the Company at [dlapkanak@gmail.com](mailto:dlapkanak@gmail.com) by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e- voting.
- 26) Mrs. Shristi Garg, Practicing Company Secretary, (Membership No. F11577 and Certificate of Practice No. 17447), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- 27) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- 28) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 29) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com) and on the website of CDSL viz [www.cdslindia.com](http://www.cdslindia.com). The same will be communicated to the stock exchange. The Calcutta Stock Exchange Ltd, where the shares of the Company are listed.
- 30) Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.

Kolkata  
04.09.2022  
CIN:L67020WB1979PLC031867  
Registered Office:  
41, Chowringhee Road  
Kolkata-700071  
Ph:91-33-2288-3970/3972  
Fax:91-33-2243-5462/2288-3581  
E-  
mail:[dlapkanak@gmail.com](mailto:dlapkanak@gmail.com) Website:  
[www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)

By Order of the Board  
Kanak Projects Limited

Anshuman Prakash  
Director



## Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

### Item no. 3

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, in terms of the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') such transactions, if material, require prior approval of shareholders by way of an ordinary resolution, notwithstanding the fact that the same are at an arm's length basis and in the ordinary course of business.

As per Regulation 2(1) read with the proviso to Regulation 23(1) of the SEBI LODR, effective April 1, 2022, transactions involving transfer of resources, services or obligations between a listed entity and any person or entity forming a part of the promoter or promoter group of the listed entity will be considered as 'related party transactions' ('RPT'), and as 'material related party transactions', if the transaction to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1000 crore or 10 per cent. of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Company, during the ordinary course of its non-banking financial services, enter into and/or proposed to be entered into and/ or continuing with Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) (in any form and by whatever name called), whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise between the Company and each of the party(ies), whether by way of fresh or renewal(s) or extension(s) or any modification(s) of earlier Transaction(s) / Contract(s)/ Arrangement(s) /Agreement(s) or otherwise including the payment of interest or levy of charges for any services provided by the Company, from time to time on such terms and conditions as may be mutually agreed between the Company and its related parties ('RPs'). Therefore, it is required to seek the prior approval of the shareholders of the Company for the aforesaid transactions.

Further, SEBI vide its circular no. SEBI/HO/CFD/CMD1/ CIR/P/2022/47 dated April 8, 2022, clarified that the Member's approval of omnibus RPTs approved in an Annual General Meeting (AGM) shall be valid during the financial year ending on March 31, 2023 and upto the date of the next AGM to be held on year 2023 for a period not exceeding fifteen months. Hence, it is also proposed to seek approval of the Members for the below mentioned transactions at this AGM in order to have the resolution valid till next AGM.

In view of the above, approval of the Members is sought w.r.t. Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) (in any form and by whatever name called), enter into and/or proposed to be entered into and/ or continuing with (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) between the Company and each of the party (ies), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SL NO.	DESCRIPTION	DETAILS
<b>1</b>	<b>Details of Summary of information provided by the Management to the Audit Committee:-</b>	
<b>a</b>	<b>Name of the Related party (ies) relationship</b>	<b>Key Management Personnel:-</b>
		<ul style="list-style-type: none"> <li>Sudhir Prakash, Managing Director</li> <li>Anshuman Prakash, Director</li> <li>Neelima Jain, Director</li> <li>Nikhil Prakash, Director</li> <li>Sidhant Prakash, Director</li> </ul>
		<b>Entities significantly influenced by Promoter(s)/ Key Managerial Personnel (s) and their relatives:</b>
		<ul style="list-style-type: none"> <li>DLX Ltd</li> <li>Amrita Media Private Limited</li> <li>R.K. Commercial Ltd</li> <li>Darshanlal Anand Prakash &amp; Sons Private Ltd</li> <li>Barsana Farms</li> <li>Arihant Solvex Private Ltd</li> <li>Purbanchal Concast Private Ltd</li> </ul>
		<b>Associate Company:-</b>
		<ul style="list-style-type: none"> <li>Laojan Tea Company Private Ltd</li> </ul>
<b>b</b>	<b>Whether the transaction(s) is in ordinary course of business</b>	<b>Yes</b>
<b>c</b>	<b>Whether the transaction(s) is at Arm's Length basis</b>	<b>Yes</b>
<b>d</b>	<b>Nature of concern or interest of the related party (financial/otherwise)</b>	<b>Financial</b>

e	Type, material terms, monetary value and particulars of the proposed RPTs	The company during its ordinary courses of business inter alia enter into and/or proposed to be entered into and/ or continuing with following Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise between the Company and each of the related party(ies) whether by way of fresh or renewal(s) or extension(s) or any modification(s) of earlier Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) or otherwise :- <input type="checkbox"/> Transfer of Resources (Unsecured Loan/ Investments) <input type="checkbox"/> Rendering and receipt of any service or resources <input type="checkbox"/> Interest received and paid on outstanding balances and <input type="checkbox"/> and other transactions for business purpose from/to Related Parties.
f	Value and Tenure of Transaction(s)	For an aggregate value not exceeding Rs. 15 crore with each of the Related Parties during financial year 2022-23 upto the date of the 30th Annual General Meeting of the Company to be held in the year 2023.
g	Percentage of annual consolidated turnover considering FY 2021-22 as the immediately preceding financial year that represented by the value of the each RPTs	Approximately 25%
2	Justification for the transaction(s)	These transactions are done in furtherance of the ordinary course of business.
3	Details of transaction(s) relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:-	
a	details of the source of funds in connection with the proposed transaction(s)	N.A.
b	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments:- - nature of indebtedness; - cost of funds; and - tenure	N.A.
c	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Interest Rate :- 8% Tenure:- Upto 1 Year Repayment Schedule:- On Maturity Security :- Unsecured
4	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice

The maximum balance at any day, during FY 2022-23 and for the next financial year (until the holding of 44<sup>th</sup> Annual General Meeting of the Company), between the Bank on one side and promoter entities, as mentioned above, individually on the other side, may exceed the threshold of 'material related party transactions' under the SEBI LODR, i.e., ₹1,000 crore or 10 per cent. Of the annual consolidated turnover of the Bank as per the last audited financial statements of the Bank, whichever is lower, for each such Party. All these transactions will be executed on an arm's length basis and in the ordinary course of business of the Bank. Based on the information on the transactions as provided above, the Audit Committee has approved entering into the said transactions and the Board of the Company has recommended for the approval of the Members, the resolution set out at Item No. 6 of this Notice, by way of an ordinary resolution. The Members may please note that in terms of provisions of the SEBI LODR, no related party shall vote to approve the Ordinary Resolution at Item No. 3 of this Notice. Except Mr. Sudhir Prakash, Anshuman Prakash and Nikhil Prakash and Sidhant Prakash none of the Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution. Your Board of Directors, therefore, recommends the passing of the ordinary resolution as set out at Item No. 3 of this Notice.

**Kanak Projects Limited**  
**Regd. Office: 41, Chowringhee Road, Kanak Building, Kolkata 70**  
**0071 Tel: 2288 3970**  
**CIN: L67020WB1979PLC031867**  
**Email: [dlapkanak@gmail.com](mailto:dlapkanak@gmail.com)**  
**Website: [www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)**

**43<sup>rd</sup> Annual General Meeting at the registered office of the company at 41 Chowringhee Road,  
Kanak Building, Kolkata 700071**

**Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_**

**Client Id No. \_\_\_\_\_**

**Name of the Member \_\_\_\_\_**

**Signature \_\_\_\_\_**

**Name of the Proxy holder \_\_\_\_\_**

**Signature \_\_\_\_\_**

I certify that I am registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 43<sup>rd</sup> Annual General Meeting held on Thursday, 29<sup>th</sup> September, 2022.

.....  
**Member's / Proxy's Signature**

Note: Shareholders / Proxy holders desiring to attend the meeting should bring their copy of the Annual Report as the same will not be distributed again at the meeting.

**Kanak Projects Limited**  
**CIN: L67020WB1979PLC031867**  
**Regd.Office:41,ChowringheeRoad,KanakBuilding,Kolkata70**  
**0071 Tel: 2288 3970**  
**Email:[dlapkanak@gmail.com](mailto:dlapkanak@gmail.com)Website:**  
**[www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)**

**Form No. MGT-11**  
**Proxy form**

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the  
Companies (Management and Administration) Rules, 2014]**

**CIN: L67020WB1979PLC031867**

Name of the company: Kanak Projects Limited

Registered office: **41, Chowringhee Road, Kanak Building, Kolkata 700 071**

Name of the member (s):  
Registered address:  
E -mail Id:  
Folio No/ Client Id:  
DP ID:

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature ....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature ....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held on Thursday, 29<sup>th</sup> September, 2022 at 11:00 A.M. at 41, Chowringhee Road, Kanak Building, Kolkata - 700071 (W.B) and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2022 (including Audited Consolidated Financial Statement) and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditor thereon.
2. To appoint a Director in place of Mr. Nikhil Prakash (DIN: 00434328) who retires by rotation at this meeting and being eligible, offers herself for re-appointment.

Signed this.....day of .2022

Affix

Signature of shareholder ..... Signature of Proxy holder(s).....

**Note:1. The Proxy must be deposited at the Registered Office of the Company at 41, Chowringhee Road, Kolkata 700071, not less than 48 hours before the time for holding of meeting.**

2. The form should be signed across the stamp as per specimen signature registered with the Company.

**Kanak Projects Limited**  
**CIN: L67020WB1979PLC031867**  
**Regd.Office:41,ChowringheeRoad,KanakBuilding,Kolkata70**  
**0071 Tel: 2288 3970**  
**Email:[dlapkanak@gmail.com](mailto:dlapkanak@gmail.com)**  
**Website:[www.kanakprojectsLtd.com](http://www.kanakprojectsLtd.com)**

**(ANNEXURE TO THE NOTICE FOR THE 43<sup>rd</sup> ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 29.09.2022)**

Name & Registered  
Address of Sole/First  
named Member:

Joint Holders Name (If any):

Folio No. / DP ID & ClientID:

No. of Equity Shares Held:

Dear Shareholder,

**Subject: Process and manner for availing E-voting facility:**

Pursuant to Provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Thursday, 29<sup>th</sup> September, 2022 at 11:00 A.M. at "Kanak Building", 41, Chowringhee Road, Kolkata-700071 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

<b>EVSN</b> (Electronic Voting Sequence Number)	<b>User ID</b>	<b>PAN / Sequence No.</b>

The E-voting facility will be available during the following voting period:

<b>Remote e-Voting Start On</b>	<b>Remote e-Voting End On</b>
Monday, 26 <sup>th</sup> September, 2022 at 9.00 A.M.(IST)	Wednesday, 28 <sup>th</sup> September, 2022 at 5.00 P.M.(IST)

Please read the instructions mentioned in the Notice of the AGM carefully before exercising your vote.

**By Order of the Board**  
**For Kanak Projects Limited.**

**Place: Kolkata**  
**Date: 04.09.2022**

**Anshuman Prakash**  
**Director**

## BOARDS REPORT

Dear Shareholders

Your directors have pleasure in presenting the 43<sup>rd</sup> Annual Report together with the Audited Statement of Accounts of Kanak Projects Limited for the year ended March 31, 2022.

### 1. SUMMARISED FINANCIAL HIGHLIGHTS

#### STANDALONE

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
<b>Total Revenue</b>	23,74,39,580	39,00,97,956
<b>I. Total Revenue</b>	23,74,39,580	39,00,97,956
<b>II. Total Expenses</b>	18,01,24,896	27,08,52,972
<b>III. Profit Before Taxes</b>	5,73,14,684	11,92,44,984
<b>IV. Income Tax expense</b>		
<b>Current Tax</b>	1,39,49,750	2,92,47,350
<b>Deferred Tax</b>	(28,72,271)	763,287
<b>Income Tax for earlier year</b>	(17,74,098)	-
<b>V. Profit/(loss) for the year</b>	4,80,11,303	8,92,34,348

The Company has started new activity during the preceding Financial year and the revenue generated from Sale of Billets during the current year is 6,87,50,931.

#### CONSOLIDATED

Particulars	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
<b>Revenue from Operations</b>	23,74,39,580	39,00,97,956
<b>I. Total Revenue</b>	23,74,39,580	39,00,97,956
<b>II. Total Expenses</b>	18,01,24,896	27,08,52,968
<b>III. Profit Before Taxes</b>	5,73,14,684	11,92,44,988
<b>IV. Share of Profit/(Loss) of Associates (Net of Tax)</b>	(27,68,139)	(36,77,115)
<b>V. Income Tax expense</b>		
<b>Current Tax</b>	1,39,49,750	2,92,47,350
<b>Deferred Tax</b>	(28,72,271)	763,287
<b>Income Tax for earlier year</b>	(17,74,098)	-
<b>V. Profit/(loss) for the year</b>	4,52,43,164	8,55,57,236

## **2. BUSINESS PERFORMANCE**

The Company has earned a profit of Rs. 4,80,113.03 during the period under review. The present financial situation of the Company has been stated in the Financial Statements in details. Your Directors are continuously looking for avenues for future growth of the Company.

Your Company discloses Standalone and Consolidated Unaudited Financial Results on a quarterly basis, Standalone and Consolidated Audited Financial Results on an annual basis. The Financial Statements of your Company have been prepared in accordance with the applicable Accounting Standards notified under the relevant provisions of the Companies Act, 2013, as applicable.

A detailed review on the operation and performance of the Company and its business is given in the Management Discussion and Analysis Report. The same is enclosed as Annexure - A to this Report.

## **IMPACT OF COVID-19 PANDEMIC**

COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. The Company is sensitive about the impact of the Pandemic, not only on the human life but on businesses and industrial activity across the globe, which will be realized only over next few months. The Company has been monitoring the situation closely and has taken proactive measures to comply with various directions /regulations / guidelines issued by the Government and local bodies to ensure safety of workforce across all its factories and offices. The Company has taken various safety measures for the safety of all employees.

The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, evolving impact on bill collections from consumers and support from respective State Governments and banks & financial institutions. The Company has incurred substantial losses due to lockdown.

## **3. FUTURE OUTLOOK**

The Management of the company always believes in its corporate and moral ethics at the time of dealing with its stakeholders. The management is optimistic about the future growth of the company.

## **4. DIVIDEND & TRANSFER OF FUND TO INVESTOR EDUCATION AND PROTECTION FUND**

Our Directors did not recommend any dividend for the current financial year. The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

## **5. SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2022 was Rs. 4, 45, 24,000 divided into 44, 52,400 Equity Shares of Rs. 10/- each.



## **6. RESERVES & SURPLUS**

There has been no transfer to the General Reserve during the period under review.

## **7. SUBSIDIARY COMPANY & ASSOCIATE COMPANIES**

As on 31st March, 2022, the company doesn't have any Subsidiary but has an Associate Company M/s. **Lao Jan Tea Company Private Limited** the details of the same are given in Form AOC – 1 attached herewith and marked as “Annexure – B”.

## **HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**

Pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the associate Company M/s. Lao Jan Tea Company Private Limited has contributed its Net Profit of Rs. 5,27,181 to the overall performance of the company. The annual accounts of its Associate Company will also be kept for inspection by any Member of the Company at the registered office of the Company. The Consolidated Financial Statements presented by the Company include the financial information of its associates. As per the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its associates on its website <http://kanakprojectsltd.com/compliance-corner/>. and copy of separate audited financial statements of its subsidiary will be provided to the shareholders at their request.

## **8. PUBLIC DEPOSIT**

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has outstanding loans advanced covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company are given in the notes to the financial statements

## **10. CORPORATE SOCIAL RESPONSIBILITY**

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee and on the recommendation of the said committee, the Board has approved a Corporate Social Responsibility ('CSR') policy and the same has been uploaded in the website of the Company <http://kanakprojectsltd.com/compliance-corner/>. which contains the CSR activities being carried out by the Company, governance structure, implementation process, etc.

The Financial Year 2021-22, was a grim year; a year of unprecedented challenges for individuals and institutions globally, including India. Despite the turbulent business environment caused by the pandemic, your Company continued to illustrate its commitment towards social and environmental priorities. The Company believes that CSR is a way of creating shared value and contributing to social and environmental good. Company's strategy is to integrate its activities in

community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations.

Your Directors are pleased to inform that the Company has fulfilled its CSR obligations pursuant to Section 135(5) of the Companies Act, 2013, for the year 2021-22 inter-alia on CSR projects. During the period under review the Company has spent an amount of Rs. 25,00,000.00 towards CSR (expenditure required to be made Rs. 20,54,029/-). Details of the CSR spending is attached herewith in “Annexure - C”.

#### **11. HUMAN RESOURCES**

The well-disciplined workforce who has served the company for three decades lies at the very foundation of the company's major achievements and this trend is set to continue. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principal of rewarding performance.

#### **12. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Company is equipped with a proper and adequate system of internal controls for maintaining proper accounting cost control and efficiency in operation. The Company also has adequate system to ensure that all of its assets are safeguarded and protected against loss from unauthorized use or disposition, and transactions are authorized, recorded, and reported correctly. The internal control system is supplemented by internal audits, review by management, documented policies and procedures.

#### **13. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to Section 177 of the Companies Act, 2013 the Company has complied with the laws and the codes of conduct applicable to it and has ensured that the business is conducted with integrity and accordingly the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website of company.

#### **14. SEXUAL HARASSMENT POLICY**

The Company has also framed a policy on prevention of Sexual Harassment of Women at Workplace which commits to provide a workplace that is free from all forms of discrimination, including sexual harassment.

As per the Policy, any complaint received shall be forwarded to an Internal Complaint Committee ("ICC") formed under the Policy for redressal. The investigation shall be carried out by ICC constituted for this purpose. There was no such complaint during the year.

a.	Number of Complaints Filed during the FY	0
b.	Number of Complaints Disposed of during the FY	0
c.	Number of Complaints pending as on the end of the FY	0

#### **15. DIRECTORS, KMPS' & COMMITTEES**

None of the Director's & KMPs were appointed or resigned during the financial year under review:

### **16.1 INDEPENDENT DIRECTORS**

The provisions relating to composition of Independent Directors is complied with the provisions of Companies Act, 2013 read with rules made there under. The Independent Directors meet the criteria of qualification stipulated in Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **BOARD EVALUATION**

Pursuant to the provisions of companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee.

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their Remuneration.

### **MEETINGS**

During the year, 8 Board Meetings, 4 Audit Committee Meeting, 1 Corporate Social Responsibility Committee, 1 Nomination and Remuneration Committee and, were held.

The provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time were adhered to while considering the time gap between two meetings.

### **AUDIT COMMITTEE**

The company is having an audit committee comprising of the following directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Nitin Kandoi	Chairperson	Non Executive & Independent Director
Mrs. Princey Kandoi	Member	Non Executive & Independent Director
Mrs. Neelima Jain	Member	Non-Executive Director

### **NOMINATION AND REMUNERATION COMMITTEE**

The company is having a Nomination and Remuneration committee comprising of the following directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Nitin Kandoi	Chairperson	Non Executive & Independent Director
Mrs. Princey Kandoi	Member	Non Executive & Independent Director
Ms. Neelima Jain	Member	Non-Executive Director

### **CORPORATE SOCIAL RESPOSIBILITY COMMITTEE**

The company is having Corporate Social Responsibility Committee comprising of the following directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Nitin Kandoi	Chairperson	Non Executive & Independent Director
Mrs. Princey Kandoi	Member	Non Executive & Independent Director
Ms. Neelima Jain	Member	Non-Executive Director

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The company is having Stakeholders Relationship Committee comprising of the following directors:

<b>Name</b>	<b>Status</b>	<b>Category</b>
Mr. Nitin Kandoi	Chairperson	Non Executive & Independent Director
Mrs. Princey Kandoi	Member	Non Executive & Independent Director
Ms. Neelima Jain	Member	Non-Executive Director

### **17. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

(A) Corporate Governance:

Your Company is listed with the Calcutta Stock Exchange and is compliant with all the provisions required to be complied with as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements), 2015 and has taken adequate steps to adhere to all the stipulations as laid down in Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as Listing Regulations] as applicable, with regard to Corporate Governance. As required, a report on Corporate Governance is provided in this Annual Report along with certificate from Mrs. Shristi Garg, of Prateek Kohli & Associates confirming the compliance with the conditions of Corporate Governance as stipulated under the said Regulations is attached to this report. The Corporate Governance Report is attached as “Annexure – D”.

The Paid up Equity Capital of the Company is 4,45,24,000 which is less than 10 Crores and Net Worth of the Company 1,09,06,68,300.59 which is greater than 25 Crores. Due to this there is conflict of opinion between Management and different professionals for applicability of Clause of Corporate Governance on the company. Hence we are complying with the Corporate Governance compliances applicable as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **18 REPORTING OF FRAUDS BY THE AUDITORS**

The Board hereby informs that there were no such reporting made by the Auditors in their report

for the Financial Year ended 31.03.2022.

## **19. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial control was in place and that the financial controls were adequate and were operating effectively.
- f) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

## **20. RELATED PARTY TRANSACTIONS**

There were contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013 which were in Ordinary Course of Business.

All Related Party Transactions in usual course were placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-a-vis the Company. Further, there were Related Party transactions with the Promoters of Promoters Group who hold more than 10% Shareholding or Voting rights in the company. Details of such Related Party Transaction is mentioned in Annexure-G.

## **21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

## **22. AUDITORS**

### **STATUTORY AUDITORS**

M/s. Salarpuria & Partners., Chartered Accountants, Statutory Auditors of the Company having Firm Registration Number 302113E were re-appointed their current term of appointment will end on the Annual General Meeting to be held in the year 2026.

Being eligible for re-appointment M/s. Salarpuria & Partners have given their consent to act as Statutory Auditor of the Company for the further period till the Annual General Meeting to be held in 2026. Their appointment will be subject to the approval of shareholder in ensuing Annual General Meeting of the Company.

Further, the report of the Statutory Auditors alongwith notes to Schedules is enclosed with this report. The observations made in the Auditors Report are self-explanatory and therefore do not call for any further comments.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shristi Garg & Associates (CP No.: 17447, FCS: 11577), Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as ‘Annexure-E’

#### **Remarks from Secretarial Auditor:-**

The Company has not followed Regulation 17 of the LODR, 2015 in respect of appointment of Independent Director.

#### **Explanation from Board:-**

The Company is presently having 2 Independent Director. The Paid up Equity Capital of the Company is 4,45,24,000 which is less than 10 Crores and Net Worth of the Company 1,09,06,68,300.59 which is greater than 25 Crores. Due to this there is conflict of opinion between Management and different professionals for applicability of Clause of Corporate Governance on the company. Thus the Company is require to appoint 1 more Independent Director on the Board. The Company will appoint the same in the F.Y. 2022-23.

### **INTERNAL AUDITORS**

Mr. Santosh Kumar Agarwal, by profession a Chartered Accountants, holds office as the Internal Auditor of the Company upto the conclusion of the forthcoming Annual General Meeting and is eligible, for re-appointment. The company has received a letter from them to the effect that their re- appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and they are not disqualified for re- appointment.

### **23. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is as follows:

The Company has used all possible efforts to minimize the Consumption of Energy.

### **24. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT - 9 is disclosed on the website of the company on the following link <http://kanakprojectsLtd.com/compliance-corner/>.

## **25. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as “Annexure F”. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the complete information on employees’ particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

## **26. SEGMENT REPORTING**

The Company is generating revenue from 2 segments of business, Rental Income and Billets Sale.

**(Amount in Rs. Hundreds)**

Rental Income: 6,66,960.36

Billet Sale: 6,87,509.31

## **27. MAINTENANCE OF COST RECORDS**

The rules regarding maintenance of cost records which have been specified by the Central Government under sub-section (1) of section-148 of the Companies Act 2013 are not applicable to the Company.

## **28. FINANCIAL VIABILITY OF COMPANY**

The financial viability of the company is totally dependent on the ability of the company to infuse funds into the company and to bring growth in the revenue of the Company.

## **29. PREVENTION OF INSIDER TRADING:**

The Company already has in place a structured Code of Conduct for Prevention of Insider Trading Policy with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code has been further streamlined to keep parity with the new Companies Act, 2013.

The Company has also adapted SEBI (Prohibition of Insider Trading) Regulations, 2015 and given appropriate disclosures to the Stock Exchanges.

The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company’s shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees, who hold any shares in the Company, have confirmed compliance with the Code.

### **30. IMPACT OF COVID-19**

The entire world faced the deterrent effect of the Covid-19 pandemic and the nationwide lockdown. The business and economic scenario has faced a huge difficulty to reach its stakeholders. There has been a huge pressure in real estate sector during this pandemic situation. The company has primary business of renting its property and earning rental income. Still despite of these adverse situations the Directors have made headwinds and were able to bring the company back on track. The Directors also ensure their members that the Board will always be committed towards the betterment of the company and will make all endeavours to bring it out of any adverse situation.

### **31. ACKNOWLEDGEMENTS**

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

We look forward to receiving the continued patronage from all quarters to become a better and stronger Company.

### **32. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency Bankruptcy Code, 2016.

### **33. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS**

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

### **34. CAUTIONARY STATEMENT**

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

**On Behalf of the Board  
For Kanak Projects Limited**

**Sd/-**

**Sd/-**

**Sudhir Prakash**

**Anshuman Prakash**





## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

#### **Real Estate Business**

The Real Estate Industry in India is flourishing but presently it is facing problems of increased inventory stock, significantly reduced number of transactions by the Customer & increased Cost of Land & Construction. The Company is in continuous process of making a vivacious presence for itself in real estate Industry. Your Company has earned a Rental Income of Rs. 6,08,228.86 in the Current Year as compared to Rs. 5,72,805.21 in the P.Y.

#### **Trading Activities**

The Company has started new division of business of trading billets. As compared to Previous year there is a decline in the sales of billets.

#### **Other Activities**

The Company's allied business activities also includes investing, acquiring, holding or otherwise dealing in shares, stocks and other securities.

### **OPPORTUNITIES AND THREATS**

Since the beginning of economic reforms and pragmatic and visionary policies adopted by the Government, the Indian economy has been witnessing strong economic growth along with demographic impetus of a growing population in the working-age category. This is creating a massive demand-supply mismatch across the real estate sector. The sheer increase in the 'need for built-up space' is opening up several opportunities for developers- be it for constructing residential properties, creating commercial space for offices or retail. Your Company is all set to avail such opportunities and take a giant leap in the path of progress.

Apart from normal business risks, your company will be facing stiff competition from existing as well as other new entrants in the same line of business. However pragmatic and prudent policies and induction of young and dynamic visionaries with expertise coupled with infusion of high-tech approach, your company will be progressing by leaps and bounds.

### **OUTLOOK**

Due to lockdown in the preceding Financial Year due to COVID - 19 announced by the Central Government, there has been a major loss in whole of India. It is expected that the outlook of the Industry will be better in years to come.

### **RISK AND CONCERN**

The Real Estate Industry is largely impacted due to lockdown in the Preceding Financial

year due to COVID- 19 announced by the Central Government. The company is overcoming the financial losses made during the period of lockdown.

### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company has in place adequate internal control system covering all its operations in order to provide reasonable assurance with regard to information and maintenance of proper accounting records, the economy and efficiency of operations, safeguarding of assets against unauthorized use or losses, and the reliability of financial and operational information.

The Internal Control mechanism comprises a well-defined organization structure, pre-determined authority levels and clearly defined policy guidelines for appropriate delegation of authority

### **FINANCIAL AND OPERATIONAL PERFORMANCE**

The Financial performance of the Company has been given separately in the Directors' Report

### **SEGMENTWISE OR PRODUCTWISE PERFORMANCE**

The Company is primarily engaged in the business of renting of immovable properties and sale of billets. Its allied business activities also includes investing, acquiring, holding or otherwise dealing in shares, stocks and other securities. Segment revenue includes sale and other income directly identifiable with/allocable to the segment including inter segment transfers. Inter segment transfers are accounted for based on the transaction price agreed to between the segments.

Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable on direct and/or on a reasonable basis, have been disclosed as Unallocable.

### **HUMAN RESOURCES**

The Company firmly believes that "People" and "People driven Strategies" are the pivotal force behind success of its growth. The HR philosophy is communicated to the employees through various group interactions with the Top Management. In order to ensure that its HR philosophy is translated into demonstrated action, the Company has sound, pro-active and progressive HR strategy and practices.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product information contained in this Report have been

based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be ensured.

**Place: Kolkata**

**Date: 04.09.2022**

**On Behalf of the Board**

**For Kanak Projects Limited**

**Sd/-**

**Sudhir Prakash**

**Managing Director**

**DIN: 00434020**

**Sd/-**

**Anshuman Prakash**

**Director**

**DIN: 00434909**

**ANNEXURE - B**

**Form AOC-1**

**Part B: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Lao Jan Tea Co. Pvt. Ltd.
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2022
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	8000
Amount of Investment in Associates/Joint Venture	800000
Extend of Holding%	49.91
3. Description of how there is significant influence	Holding is more than 20%
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 3,10,657.00
6. Profit/Loss for the year	
i. Considered in Consolidation	Rs. -27,681.00
ii. Not Considered in Consolidation	-

Dated: 04.09.2022

Place: Kolkata

**On Behalf of the Board  
For Kanak Projects Limited**

**Sd/-  
Sudhir Prakash  
Prakash  
Managing Director  
DIN: 00434020**

**Sd/-  
Anshuman  
Director  
DIN: 00434909**

**1. Brief outline on CSR Policy of the Company:**

The CSR policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company will endeavour to carry out various activities which have been stated in Schedule VII of the Companies Act, 2013. Kanak Projects Ltd. (Hereinafter refers to as KPL). KPL stands committed to the social and economic development of the communities in which it operates. The company's commitment towards this includes giving increasing opportunities for socially and economically disadvantaged sections of the society. The Company has been contributing its time, expertise and resources to help communities and undertaking a series of initiatives that are locally relevant.

KPL aims at taking up the programmes that benefit the communities in and around its work centres and over a period of time, results in enhancing the quality of the life of the people in the area of its business operations.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the Year	Number of meetings of CSR Committee attended during the Year
1.	Neelima Jain	Non Executive and Non Independent Director	1	1
2.	Nitin Kandoi	Independent Director	1	1
3.	Princey Kandoi	Director	1	1

**3. Provide the weblink where composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.-**

[www.kanakprojectsltd.com](http://www.kanakprojectsltd.com)

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility policy) Rules, 2014, if applicable: NA**

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

**6.** Average net profit of the company as per section 135(5): Rs. 10,30,24,172.9 /-

**7.** (a) Two percent of average net profit of the company as per section 135(5): Rs. 20,60,483.45

(b) Surplus arising out of the CSR projects or programme or activities of the previous financial years:-

(c) Amount required to be set off for the financial year: Rs. 32,385/-

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 20,28,098.45

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)			
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount	Date of Transfer	Amount	Date of Transfer
25,00,000	Not Applicable			

(b) Details of CSR amount spent against ongoing project for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
SI No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area	Location of the project		Project duration	Amount allocated for the Project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (in Rs.)	Mode of Implementation Direct	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration No.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
SI. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the Project		Amount spent for the Project (in Rs.)	Mode of Implementation Direct ( Yes/ No)	Mode of Implementation through implementing agency	
				State	District			Name	CSR Registration No.
1	SHEO PRASAD DARSHAN LAL CHAIWAL E TRUST	Social Welfare	No	Uttar a khan d	Dehra dun	25, 00, 00 0	Direct	SHEO PRASA D DARSH ANLAL CHAIW	CSR 0002 0378



								ALE TRUST	
TOTAL						Rs. 25,00,000			

(d) amount spent in Administrative Overheads: N.A.

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b+8c+8d+8e): 25,00,000

(g) Excess amount for set off, if any: 32,385/-

SI. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	20,60,483.45/-
(ii)	Total amount spent for the Financial Year	25,00,000/-
(iii)	Excess amount spent for the financial year(ii-i)	4,39,516.55/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	32,385/-
(v)	Amount available for set off in succeeding financial years(iii-iv)	4,71,901.55/-

9. In case of creation or acquisition of capital asset furnish the details relating to the asset so created or acquired through CSR Spent in the financial year:  
NA

- (a) Date of creation or acquisition of the capital asset
- (b) Amount of CSR spent for creation or acquisition of capital
- (c) Details of the entity or public authority or beneficiary under whose namesuch capital asset is registered, their address etc
- (d) Provide details of the capital asset created or acquired (including completeaddress and location of the capital asset)

10. Specify the reason if the company has failed to spend two percent of the averagenet profit as per section 135(5): NA

On Behalf of the Board

**For Kanak Projects Limited**

**Date: 04.09.2022**

**Place: Kolkata**

**Sd/-**

**Sudhir Prakash**

**Managing**

**Director**

**DIN: 00434020**

**Sd/-**

**Anshuman  
Prakash**

**Director**

**DIN: 00434909**



**CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is as follows:

**1. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's Philosophy on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other stakeholders.

As part of our commitment to run a values-driven and processes managed company, this responsibility is taken up with highest discipline and vigilance by the Company's Board of Directors and its management team. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value consistently over a sustained period of time. The Board considers itself a Trustee of its shareholders and acknowledges its responsibilities towards them for creating, enhancing and safeguarding their wealth.

**2. BOARD OF DIRECTORS:**

The Company's Board comprises of adequate mix of Independent and Non-Independent Directors as well as Executive and Non-Executive Directors.

The Company's board members have diverse areas of knowledge and expertise, which is necessary in providing as independent and objective view on business issues and assess them from the stand point of the stakeholders' of the Company.

***a. Composition of Board of Directors***

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Constitution of the Board as on March 31, 2022:

<b><u>Mr. Sudhir Prakash</u></b> Managing Director Executive (Promoter)		<b><u>Mr. Anshuman Prakash</u></b> Executive Director (Promoter)	
Nationality	Indian	Nationality	Indian
Age	73	Age	49
Date of appointment	01/11/1988	Date of appointment	21/11/1996
Tenure on Board	34 years	Tenure on Board	26
Term ending date	NA	Term ending date	NA
Shareholding	1350 (0.03%)	Shareholding	56780 (1.28%)
Board memberships – Indian listed companies		Board memberships – Indian listed companies	

DLX Limited	Managing Director Executive	DLX Limited	Director & CFO Non Executive
R K Commercial Ltd	Non-Executive Director and Non- Independent Director (Promoter)	R K Commercial Ltd	Executive Director and Non- Independent Director (Promoter)
Committee details as per Regulation 26 of Listing Regulations		Committee details as per Regulation 26 of Listing Regulations	
Member: NIL Chairperson: NIL		Member: NIL Chairperson: NIL	
<b>Areas of expertise</b>		<b>Areas of expertise</b>	
Finance Background		Finance Background	

<b>Mr. Sidhant Prakash</b> Executive Director (Promoter)		<b>Mr. Nikhil Prakash</b> Executive Director (Promoter)	
Nationality	Indian	Nationality	Indian
Age	33	Age	46
Date of appointment	30/06/2015	Date of appointment	30/06/2015
Tenure on Board	7	Tenure on Board	7
Term ending date	NA	Term ending date	NA
Shareholding	0 (0%)	Shareholding	15370 (0.35%)
Board memberships – Indian listed companies		Board memberships – Indian listed companies	
DLX Limited	Director Non-executive	R K Commercial Ltd	Managing Director (Promoter)
R K Commercial Ltd	Executive Director and Non-Independent Director (Promoter)		
Committee details as per Regulation 26 of Listing Regulations		Committee details as per Regulation 26 of Listing Regulations	
Member: NA Chairperson: NA		Member: NA Chairperson: NA	
<b>Areas of expertise</b>		<b>Areas of expertise</b>	
Finance Background		Finance Background	

<b>Ms. Neelima Jain</b> Non-Executive Director and Independent Director (Non-Promoter)		<b>Mr. Nitin Kandoi</b> Non-Executive Director and Independent Director (Non-Promoter)	
Nationality	Indian	Nationality	Indian
Age	71	Age	36
Date of appointment	30/03/2015	Date of appointment	01/12/2020

Tenure on Board	8	Tenure on Board	2
Term ending date	NA	Term ending date	30.11.2025
Shareholding	Nil	Shareholding	Nil
Board memberships – Indian listed companies		Board memberships – Indian listed companies -Nil	
DLX Limited	Director Non-Executive	DLX Limited	Director Non-Executive
R K Commercial Ltd	Director Non-executive	R K Commercial Ltd	Director Non-Executive
Committee details as per Regulation 26 of Listing Regulations		Committee details as per Regulation 26 of Listing Regulations	
Member: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of DLX Limited. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of R K Commercial Limited. Chairperson: N.A		Member: Nil Chairperson: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of DLX Limited. Audit Committee and Nomination and Remuneration Committee of R K Commercial Ltd.	
Areas of expertise		Areas of expertise	
Finance Background		Finance Background	

<b>Mr. Princey Kandoi</b> Non-Executive Director and Non-Independent Director (Non-Promoter)	
Nationality	Indian
Age	37
Date of appointment	01/12/2020
Tenure on Board	2
Term ending date	30.11.2025
Shareholding	Nil
Board memberships – Indian listed companies Nil	
DLX Limited	Director Non-Executive

R K Commercial Ltd	Director Non-executive
Committee details as per Regulation 26 of Listing Regulations	Member: Audit Committee and Nomination and Remuneration Committee of R K Commercial Ltd Audit Committee and Nomination and Remuneration Committee of DLX Ltd  Chairperson: Nil
<b>Areas of expertise</b>	Finance Background

The Board periodically reviews the Compliance report pertaining to all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instance of non-compliances.

***b. Attendance record of Board meetings***

During the year under review, 8 (Eight) Board meetings were held. The Board members are given appropriate documents and information in advance of each board meeting.

The attendance record of all directors on the Board and the last AGM and the number of Companies / Committees where he / she is a Director / Member as under:

<b>Name of the Director</b>	<b>Attendance at last AGM</b>	<b>Date of original Appointment</b>	<b>Total Directorship including this Company</b>	<b>No of Board Meeting held</b>	<b>No of Board Meeting attended</b>	<b>% of Attendance</b>
Mr. Neelima Jain	Yes	30/03/2015	4	8	4	50%
Mr. Sudhir Prakash	No	01/11/1988	15	8	7	87.5%
Mr. Nikhil Prakash	Yes	30/06/2015	9	8	4	50%
Mr. Anshuman Prakash	Yes	21/11/1996	16	8	8	100%
Mr. Nitin Kandoi	Yes	01/12/2020	7	8	7	87.5%

Mr. Sidhant Prakash	Yes	30/06/2015	9	8	8	100%
Mr. Princey Kandoi	Yes	01/12/2020	3	8	7	87.5%

***c. Disclosure of relationships between directors inter-se:***

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Relationship with other Directors</b>
1	Mr. Sudhir Prakash	Father of : Mr. Nikhil Prakash Mr. Anshuman Prakash
2	Mr. Sidhant Prakash	Nephew of Mr. Sudhir Prakash
3	Mr. Neelima Jain	Not related to any other Director
4	Mr. Nitin Kandoi	Not related to any other Director
5	Mrs. Princey Kandoi	Not related to any other Director

**COMMITTEES OF THE COMPANY:**

**(a) AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company consist three directors. All the directors have good knowledge of finance, accounts as well as company law. The Chairman of the Committee is Mr. Nitin Kandoi. The other members of the committee are Mrs. Princey Kandoi, Ms. Neelima Jain.

**Terms of Reference –**

The board terms of reference of the Committee inter alia includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in Director's Responsibility Statement included in Board's report;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries based on exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Qualifications in the draft audit report;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, statement of uses and application of funds raised through an issue, statement of funds utilized for other purposes and report of monitoring agency.
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,
18. Shareholders (in case of non-payment of declared dividends) and creditors.
19. To review the functioning of the Whistle-Blower mechanism.
20. Approval of appointment of Chief Financial Officer.
21. To review report submitted by Monitoring Agency informing material deviations in the utilization of Issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the year under review, the Audit Committee met 04 (Four) times on 23/06/2021, 03/08/2021, 06/11/2021 and 07/02/2022. Attendance of the members after re-constitution at the meeting was as follows:



<b>Name of the Member</b>	<b>Designation</b>	<b>No. of Meetings attended</b>
Mr. Nitin Kandoi	Chairman	1
Mrs. Princey Kandoi	Member	1
Ms. Neelima Jain	Member	1

**(b) NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration committee comprise of three directors, viz, Mr. Nitin Kandoi as Chairman, Mrs. Princey Kandoi and Ms. Neelima Jain as other members.

Attendance of the members after re-constitution at the meeting was as follows:

<b>Name of the Member</b>	<b>Designation</b>	<b>No. of Meetings attended</b>
Mr. Nitin Kandoi	Chairman	1
Mrs. Princey Kandoi	Member	1
Ms. Neelima Jain	Member	1

The Nomination & Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down. Recommended to the Board their appointment and removal and shall carry out evaluation of every director performance.

The Committee had been consulted to review and approve the annual salaries, commission, service agreement and other employment conditions for the executive directors. The remuneration policy is in consonance with the existing industry practice.

The terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI LODR.

The terms of reference of the Committee are broadly as under:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of independent directors and the board.
3. Devising a policy on Board diversity.

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of there of performance evaluation of independent directors.

During the year under review, the Committee met 01 (One) times on 07/02/2022, and all members were present at the meetings.

Details of the remuneration to the Executive Directors provided as per accounts for the year ended March 31, 2022 are given below:

Executive Director	Salary (In Rs)	Commission (In Rs)
Mr. Nikhil Prakash	32,50,000	NIL
Mr. Anshuman Prakash	30,90,000	NIL
Mr. Sidhant Prakash	30,90,000	NIL
Mr. Sudhir Prakash	NIL	NIL

Non-Executive Director	Sitting Fees (In Rs.)	Commission(In Rs.)	Total (In Rs.)
Ms. Neelima Jain	NIL	NIL	NIL

Details of the remuneration to the Non-Executive Director provided as per accounts for the Year ended March 31, 2022 are given below: NA

#### ***Familiarization Programmes:***

The management conducts familiarization programmes for its Directors which includes discussion on industry outlook and updates on various matters viz. Regulatory, Business, Stock exchange operations, Finance, Internal Control, Information Technology etc. The details of programmes for familiarization of Directors are available on the Company's website <http://www.kanakprojectsLtd.com/>

#### **(c) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprise of three directors, viz, Mr. Nitin Kandoi as Chairman, Mrs. Princey Kandoi and Ms. Neelima Jain as other members.

The Committee has been constituted to specifically look into redressal of shareholders' grievance matters. The Committee has also been dealing the power to approve transfer / transmission, issue of new or duplicate certificates, sub-division of shares, split of shares and all matters related to shares.

Mrs. Ginni Lohariwala, the Company Secretary of the Company is the Compliance Officer.

During the year under review, the Committee met 04 (Four) time on 23/06/2021, 03/08/2021, 06/11/2021, 07/02/2022 and all members present at the meeting.

Total number of letters and complaints received and replied to the satisfaction of shareholders during the year under review was NIL as on March 31, 2022 there are NIL complaints pending with the Company.

#### **(d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Stakeholders Relationship Committee comprise of three directors, viz, Mr. Nitin Kandoi as Chairman, Mrs. Princey Kandoi and Ms. Neelima Jain as other members.

The Committee met 01 (One) time on 15/03/2022 and all members present at the meeting.

#### **SEPARATE MEETINGS OF INDEPENDENT DIRECTORS**

As required by SEBI LODR, the Independent Directors held 01 meeting during the year. All Independent Directors attended the same.

The Independent Directors discussed / review the matters specified in Regulation 25 of SEBI LODR.

#### **GENERAL BODY MEETINGS:**

<b>Year</b>	<b>General Meeting</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolution Passed</b>
2020-21	Annual General Meeting	30/12/2021	11:00AM	1 Special Resolution was passed.
2019-20	Annual General Meeting	31/12/2020	2.30 P.M.	6 Special Resolution was passed.
2018-19	Annual General Meeting	30/09/2019	2.30 P.M.	No Special Resolution was passed.
2018-19	Extra-Ordinary General Meeting	25.02.2019	2.00 P.M.	1 Special Resolution was passed.

\*1 Extraordinary General Meeting was held during 2018-19 Financial Year.

## **DISCLOSURES**

### **(a) Basis of related party transactions**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval.

### **(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years:**

There have been no penalties or strictures imposed by SEBI or any statutory authority on any matter related to the capital markets during the last three years.

### **(c) Vigil Mechanism**

The Company has a vigil mechanism for directors and employees to report genuine concerns. The Vigil mechanism provides for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

(c) The Company has complied with all mandatory requirements of Regulations as per Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance Report on Non mandatory requirements under Regulation 27(1).

### **(d) Risk management**

The Company operates in an increasingly volatile and challenging business environment. The Company's overall risk management seeks to minimize potential adverse effects on its performance. The Company has created the Risk Management charter for building a strong risk management culture.

Board of Directors confirms that there exist no elements of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

### **(e) Compliance by the Company**

There are no instances of non-compliance by the Company on any matters, nor have any /strictures been imposed by the Stock Exchange or SEBI or any other statutory authority on any matter relating to SEBI Compliance norms during the Financial Year ended on March 31, 2021.

### **(f) Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and the various committees of the Board of Directors. The criteria for performance evaluation cover the areas relevant to their functioning as Chairman, Independent Directors or other Directors, Member of Board or committees of the Board. A Structured questionnaire, evolved through discussions

within the Board, has been used for this purpose.

The purposes of evaluation of the Board and its Committees was to analyze how the Board and its committees are functioning, the time spent by the Board while considering matters and whether the terms of reference of the Board Committees have been met, beside compliance of provisions of the Act and Listing Agreement.

The Directors expressed their satisfaction with the evaluation process. However, given the nascent nature of this process, the evaluation process will be strengthened through experience and also by identifying best practices used by other companies.

## **CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company, as required by Regulation 17(5) of the SEBI LODR. The Company has received confirmation from the Directors and Senior Management regarding compliance with the code for the year ended March 31, 2022. The code has been displayed on the Company's website. A declaration from Managing Director forms part of this report.

To,  
The Board of Directors  
Kanak Projects Limited  
41, Chowringhee Road  
4<sup>th</sup> Floor, Kolkata –700040

Dear Sir,

Sub: Compliance with the Company's Code of Ethics and Business Conduct

In accordance with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Code of Ethics and Business Conduct of the Company for the financial year ended March 31, 2022.

Place: Kolkata  
Date: 04.09.2022

For Kanak Projects Limited  
sd/-

Sudhir Prakash  
Managing  
Director DIN:  
00434020

### **Fees paid to Auditors:**

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Statutory Audit Fee: Rs. 3,50,000/-

Tax Audit Fee: Rs. 30,000/-

Fees are exclusive of taxes as applicable. No payment has been made to the statutory auditors from subsidiaries of the Exchange or to any network firm/entity.

## **COMPLAINTS PERTAINING TO SEXUAL HARASSMENT:**

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: Nil
- c. number of complaints pending as on end of the financial year: Nil

**Non-Compliance with the Conditions of Corporate Governance:**

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations, to the extent as applicable, with regards to Corporate Governance.

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

The Company has adopted a revised “Code of Conduct to Regulate, Monitor and Report Trading in Securities and Fair Disclosure of Unpublished Price Sensitive Information” (Revised Code) in Compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The same was effective from April 01st 2019 and shall be made available on the Company’s website <http://www.kanakprojectsLtd.com>.

**DISCLOSURE ON NON-MANDATORY REQUIREMENTS:**

a. The Board has a Executive Chairman. The Independent Directors are only receiving sitting fees for attending meetings.

b. Shareholders Rights: Annual Accounts are circulated to all the shareholders and also published in the website of the company after passing by the shareholders in the Annual General Meeting.

c. Audit qualifications: There are no qualifications contained in the Auditor’s Report on the standalone financial statement for the year ended 31st March, 2022.

d. Training of Board members: The Directors are also appraised of all important changes in applicable legislation, enactment, guidelines, accounting standards, etc. to enable them to take informed decisions.

e. Disclosures of web-link for disclosing policy for determining ‘material’ subsidiaries, policy on dealing with related party transactions, disclosure of commodity price risks and commodity hedging activities and disclosure of details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) are not applicable to the Company.

**PARTICULARS OF DIRECTORS RE APPOINTED**

As required under SEBI (Listing Obligations and Disclosures) Regulations, 2015 as amended from time to time, the details of membership and other relevant details in respect of Directors who are being recommended for re-appointment are given hereunder:-

Name of the Director	Age	Qualification	Experience	Directorship in other Public Limited Companies
Mr. Nikkhil Prakash	46	Graduate	7 years	2

**GENERAL SHAREHOLDER INFORMATION**

<p><b>1. Annual General Meeting</b></p> <p><b>Day, Date &amp; Time</b></p> <p><b>Venue</b></p>	<p>Thursday, 29<sup>th</sup> September, 2022 at 11.00 A.M. Kanak Building, 41, Chowringhee Road, Kolkata-700071</p>
--	---

<b>2. Financial Year</b>	April 1, 2021 to March 31, 2022
<b>3. Dividend payment date</b>	The Company has not declared and paid any Dividend.
<b>4. Listing Details</b>	<b>The Calcutta Stock Exchange Limited (BSE)</b> 7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal.
<b>5. Stock Codes</b>	Scrip Code: ISIN: INE928E01016 CIN: L67020WB1979PLC031867
<b>6. Market Price data- high, low during each month in last financial year</b>	Not Applicable as the Company's shares are not actively trading.
<b>7. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.</b>	Not applicable as the Company's shares are not actively trading.
<b>8. Registrar &amp; Share Transfer Agent</b>	Not applicable. The Company's internal team maintains the Share Capital works.
<b>9. Share Transfer System</b>	Share Transfer System is managed by the RTA. NICHE TECHNOLOGIES PRIVATE LIMITED (Registrar & Share Transfer Agent)3A, Auckland Place, 7 <sup>th</sup> Floor Room No. 7A and 7B, Kolkata - 700017
<b>10. Dematerialization of shares and liquidity</b>	No Dematerialization request have been during the Financial Year.
<b>11. Compliance Officer / Company Secretary</b>	Ginni Lohariwala 2A, Kedar Bose Lane, 3rd Floor, Kolkata –700025



**Shareholding Pattern as on March 31, 2022**

<b>Shareholding Category</b>	<b>No of Shareholders</b>	<b>Number of Shares</b>	<b>% of Holding</b>
<b>Promoter &amp; Promoter Group</b>			
Individual/ HUF	5	3313500	74.42
Body Corporate	1	100	.002
<b>Public Shareholding</b>			
<b>Institutions</b>			
<b>Non-Institutions</b>			
Bodies Corporate	3	1138520	25.571
Individual Shareholders holding nominal value upto Rs. 2 Lac	3	280	0.006
Individual Shareholders holding nominal value greater than Rs. 2 Lac	0	0	0
Any Other (NRI & Clearing Members)	0	0	0
HUF	0	0	0
<b>Total</b>	<b>12</b>	<b>4452400</b>	<b>100</b>

**PRACTICING COMPANY SECRETARY CERTIFICATION:**

A certificate from practicing company secretary confirming that none of the Directors on the Board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached and form part of this report.

**CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER CERTIFICATE:**

In terms of Regulation 17(8) of the Listing Regulations, the CFO made a certification to the Board of Directors in the prescribed format for the year at the review, which has been reviewed by the Audit Committees and taken on record by the Board. The same is attached to this report.

**COMPLIANCE CERTIFICATE:**

A Certificate from M/s. Shristi Garg & Associates, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached to this report.

**Equity Shares in the Suspense Account: NIL**

**ANNUAL REPORT:**

Annual Report containing, inter alia, Audited Financial Statement, Auditor's Report, Boards' Report, Corporate Governance Report, Management Discussions and Analysis Report and other material and related matters/ information is circulated by email to the Shareholders and others entitled thereto. The copy of Annual Report is also available on Company's website at [www.cse-india.com](http://www.cse-india.com).

**MEANS OF COMMUNICATION**

Effective communication of information is an essential component of Corporate Governance. It is process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promote management -shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

The above Report was placed before and approved by the Board of Directors at their Meeting held on 04.09.2022

Place: Kolkata

Date: 04.09.2022

**On Behalf of the Board**

**For Kanak Projects Limited**

**Sd/-**

**Sudhir Prakash**

**Prakash**

**Managing Director**

**DIN: 00434020**

**00434909**

**Sd/-**

**Anshuman**

**Director**

**DIN:**



**ANNEXURE - E**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> Day of  
March, 2022**

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

To,  
The Members,  
**Kanak Projects Limited**  
**L67020WB1979PLC031867**

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kanak Projects Limited (hereinafter called the Company)**. The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of **Secretarial Audit**, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended **31<sup>st</sup> March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013(the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

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

i. The uniform Listing Agreements entered into by the Company, with **The Calcutta Stock Exchange Limited.**

ii. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR**).

iii. The Secretarial Standards (SS - 1 and SS 2) issued by the Institute of Company Secretaries of India.

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

**We further report that:**

The Board of Directors of the Company comprises of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director as stipulated under the Act.

The composition of Committees as required to be constituted under the Act and LODR are duly constituted as per the provisions of the Act but the Company has not followed Regulation 17 of the LODR, 2015 in respect of appointment of Independent Director.

Adequate Notice is given to all Directors to schedule the Board/Committee Meetings. Information and circulation of the agenda with detailed information thereof, convening of meetings was done in compliance with the applicable laws, rules, regulations and guidelines, etc. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Resolutions were carried through majority decision. The minutes of the meetings held during the audit period did not reveal any dissenting members' views.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, regulations and guidelines.

**We further report that** during the audit period there were no major events which took place in the company.

**Place: Kolkata**

**Date: 27.08.2022**

**UDIN: F011577D000862108**

**For Prateek Kohli & Associates**

**Company Secretaries**

**Sd/-**

**Shristi Garg**

**Partner**

**C.P. No.: 17447**

*Our report is also to be read with our letter annexed in Annexure I.*



**ANNEXURE - 1**

To,  
The Members  
Kanak Projects Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Kolkata**

**Date: 27.08.2022 d**

**For Prateek Kohli & Associates**  
**Company Secretaries**  
**Sd/-**  
**Shristi Garg**  
**Partner**  
**C.P. No.: 17447**

PARTICULARS OF EMPLOYEES

(i) The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of employees of the Company:-

Sl. No.	Name of the Person	Designation	% of increase compared to P.Y.	Remuneration	Ratio of Remuneration to the median remuneration of employees
1	Mr. Sudhir Prakash	Managing Director	-	-	-
2	Mr. Anshuman Prakash	Executive Director	8.421	30,90,000	
3	Mr. Nikhil Prakash	Executive Director	14.03	32,50,000	
4	Mr. Sidhant Prakash	Executive Director	8.421	30,90,000	
5	Mrs. Ginni Lohariwala	Company Secretary	-	75,000	

(ii) Other Directors of the Company are paid only sitting fees which are not considered as remuneration.

(iii) The percentage increase in the median remuneration of employees in the Financial Year 2021- 2022:

(iv) **The number of permanent employees on the rolls of the Company:- 21**

**Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-**

10.29% of the salary increased.

**(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company:-**  
Yes

- There is no employee who is in receipt of remuneration in excess of the remuneration that is drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, two per cent or more of the equity shares of the Company.

For and on behalf of the Board of Directors  
of

Kanak Projects Limited

Place: Kolkata  
Date: 04.09.2022

Sd/-  
Sudhir  
Prakash  
Managing  
DirectorDIN:  
00434020

Sd/-  
Anshuman  
Prakash  
Director  
DIN:  
00434909

**FORM NO. AOC -2**  
**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the**  
**Companies (Accounts) Rules, 2014.**  
**Kanak Projects Ltd.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Name (s) of the related party	Nature of contracts	Nature of relationship	Duration of the contracts.	Salient terms	Amount in Rs.
1.	Barsana Farms Private Ltd	License Fees Received	Enterprise Owned or Significantly Influenced by Key Managerial Personnel or their relatives	12 MONTHS	N/A	24,000

**On Behalf of the Board**

**For Kanak Projects Limited**

**Sd/-**

**Sudhir Prakash**

**Managing Director**

**DIN: 00434020**

**Sd/-**

**Anshuman Prakash**

**Director**

**DIN: 00434909**



### **CFO Compliance Certification**

**To,  
The Board of Directors  
Kanak Projects Limited**

We, Sudhir Prakash, Managing Director and Lalita Kanta Samal, Chief Financial Officer of Kanak Projects

Limited, to the best of our knowledge and belief, certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2021 and that to the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and Regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31.03.2021 which are fraudulent, illegal or volatile of the company's code of conduct.

(c) We accept the responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.

(d) We have indicated to the auditors and the Audit committee:

(i) That there was no significant changes in internal control over financial reporting during the year;

(ii) That there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) There were no instances of significant fraud of which we have become aware of and the involvement of the management or an employee having a significant role in internal control system over financial reporting.

**Place: Kolkata**

**Date: 04.09.2022**

**For and on behalf of the Board of Directors of  
Kanak Projects Limited**

**Sd/-  
Lalita Kanta Samal  
CFO/KMP  
Director  
PAN: AKTPS1391M**

**Sd/-  
Sudhir Prakash  
Managing  
DIN: 00434020**



## **CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
Kanak Projects Ltd  
CIN: L67020WB1979PLC031867

We have examined the compliance of conditions of Corporate Governance by **Kanak Projects Ltd** ('the Company') for the year ended **31<sup>st</sup> March 2022**, as stipulated in Regulation 17 to 27, 46(2) (b) to (i), Schedule II and V (paragraphs C, D and E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certifications.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata  
Date: 27<sup>th</sup> August, 2022  
UDIN: F011577D000862075S

For Prateek Kohli & Associates  
*Company Secretaries*

Shristi Garg  
Partner  
C.P. No.: 17447



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
KANAK PROJECTS LTD  
41 CHOWRINGHEE ROAD  
KANAK BUILDING KOLKATA WB 700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KANAK PROJECTS LTD** (CIN L67020WB1979PLC031867) and having registered office at **41 CHOWRINGHEE ROAD KANAK BUILDING KOLKATA WB 700071** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	NEELIMA JAIN	00348042	30/03/2015
2.	SUDHIR PRAKASH	00434020	01/11/1988
3.	NIKHIL PRAKASH	00434328	30/06/2015
4.	ANSHUMAN PRAKASH	00434909	21/11/1996
5.	NITIN KANDOI	03559176	01/12/2020
6.	SIDHANT PRAKASH	06850941	30/06/2015
7.	PRINCEY KANDOI	08946234	01/12/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 27<sup>th</sup> August, 2022  
UDIN: F011577D000862119

For Prateek Kohli & Associates  
(Company Secretaries)

Sd/-

Shristi Garg  
(Partner)  
(C.P. No.: 17447)

**SALARPURIA & PARTNERS**

**7, Chittaranjan Avenue**

**Kolkata 700 072**

**Phone No.2237 5400/01**

**Fax No. : 2225 0992**

**E-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)**

# ***KANAK PROJECTS LIMITED***

**BALANCE SHEET AND STATEMENT OF PROFIT & LOSS AND  
CASHFLOW STATEMENT FOR THE YEAR ENDED 31.03.2022**



# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072  
Phone : 2237 5400 / 5401, 4014 5400 - 5410  
website : [www.salarpuriaajajodia.com](http://www.salarpuriaajajodia.com)  
e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)  
[office@salarpuriaajajodia.com](mailto:office@salarpuriaajajodia.com)  
Branches at New Delhi & Bangalore

## INDEPENDENT AUDITOR'S REPORT

To The Members of *Kanak Projects Limited*

Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying the Standalone Ind AS Financial Statements of *Kanak Projects Limited* ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("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, 2022, and its **Profit** (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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 Ind AS 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 Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS Financial statements.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.





# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

website : [www.salarpuriajajodia.com](http://www.salarpuriajajodia.com)

e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)

[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)

Branches at New Delhi & Bangalore

## ***Information Other than the Ind AS 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, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## ***Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statement.***

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 of the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## ***Auditor's Responsibilities for the Audit of the Ind AS Financial Statements***

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 decision of user taken on the basis of these Ind AS Financial Statements.





# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

website : [www.salarpuriajajodia.com](http://www.salarpuriajajodia.com)

e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)

[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)

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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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





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## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure -B" to this report.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations as at 31st March, 2022 on its financial position in its standalone financial statements – Refer Note 39 to the 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.







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- (iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (iv) (b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iv) (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has neither declared nor paid any dividend during the financial year. Hence, compliance in accordance with Section 123 of the Companies Act, 2013 is not applicable.

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No.302113E**

Sarvesh Kumar Singh

  
Chartered Accountant  
Membership No.-069367  
Partner



UDIN: 22069367ANRZXC4711

Place: Kolkata

Date: 30.05.2022



# Salarpuria & Partners

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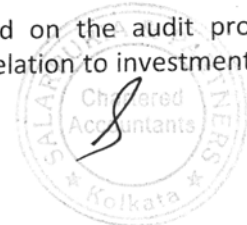
7, C. R. AVENUE, KOLKATA - 700 072  
Phone : 2237 5400 / 5401, 4014 5400 - 5410  
website : www.salarpuriajajodia.com  
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office@salarpuriajajodia.com  
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## ANNEXURE 'A' TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the course of audit, we state that:

- i. a) A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.  
B) According to information and explanations given to us, the Company does not have any intangible assets. Hence the comment on the clause i(a)(B) is not required.
- b) As explained to us the Property Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of company.
- d) The Company has not revalued any of its Property, Plant and Equipment or Intangible Assets during the year. So, comment on the clause i (d) is not applicable.
- e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Refer Note 49 of the Ind AS Financial Statements.
- ii. (a) According to the information and explanations given to us, the inventories consists of only securities held in demat statement so there is no need of physical verification arise hence comment on the clause ii(a) is not applicable.  
(b) The Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. So, comment on the clause ii(b) is not applicable.
- iii. According to the information and explanations given to us, the Company has made investments and granted unsecured loan to companies during the year, in respect of which-
  - (a) The Company has provided loans or advances in the nature of loans to any other entity-
    - (A) The Company has not provided loans or advances in the nature of loans and guarantee and security to subsidiaries, joint ventures and associates.
    - (B) The aggregate amount of loan provided during the year and balance outstanding as at balance sheet date with respect to loans to companies other than subsidiaries, joint ventures or associates is Rs.80,000 and Rs.14,76,978 respectively.(figures in Hundred)
  - (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, grant of all loans are not prejudicial to the interest of the Company.





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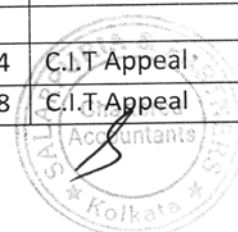
e-mail : salarpuria.jajodia@rediffmail.com

office@salarpuriajajodia.com

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- (c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest.
- (d) According to the information and explanations given to us there are no amounts overdue for more than ninety days in respect of the loan granted to the Companies. So comment on the clause 3(iii) (d) of the said order is not applicable.
- (e) According to the information explanation provided to us, the loan or advance in the nature of loan granted has not fallen due during the year. Hence, reporting under paragraph 3(iii) (e) of the said order is not applicable.
- (f) According to the information explanation provided to us, the Company has granted loans which is repayable on demand. Aggregate amount of loan repayable on demand is Rs14,76,978 (Figures in Hundred) granted to related parties which is 100% of the total loan granted.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied wherever applicable with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required to be complied with. Hence, comment on clause 3(v) of the said order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Thus, reporting under clause 3(vi) of the said order is not applicable to the Company.
- vii. a) According to the records of the Company and as per the information and explanations given to us, it is regular in depositing undisputed statutory dues like Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess, Goods and services tax and Other Statutory Dues with the appropriate authorities during the year except municipal tax of Rs 1,99,780.82 were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) On the basis of information and explanations given to us, the dues of income tax or sales tax or service tax or duty of custom or duty of excise or goods and services tax that have not been deposited on account of any dispute have been mentioned below:

Name of the Statute	Nature of Dues	Amount ( ` 00)	Period	Forum where dispute is pending
Kolkata Municipal Corporation	Municipal Tax	31,30,846.25 (Net of Payment)	F.Y.2006-07 To F.Y. 2020-21	Hon'ble Calcutta High Court
Income Tax Act, 1961	Income Tax	15,849	A.Y 2013-14	C.I.T Appeal
Income Tax Act, 1961	Income Tax	33,744	A.Y 2017-18	C.I.T Appeal





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- viii. As per the information and explanation provided to us there were no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Hence comment on Paragraph 3(viii) of the said order is not applicable.
- ix. (a) As per the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not defaulted in repayment of loan or other borrowings or in the payment of interest thereon to any lender. Hence comment on Paragraph 3(ix) (a) of the said order is not applicable.
- (b) As per the information and explanations given to us the company has not been declared wilful defaulter by any bank or financial institution or any other lender. Refer Note 51 of Ind AS Financial Statements.
- (c) As per the information and explanations given to us the company has not taken any term loan during the year, hence, reporting under clause 3(ix)(c) of the said order is not applicable.
- (d) On an overall examination of the Ind AS Financial Statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the Ind AS Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) As per the information and explanations given to us the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting under clause 3(ix)(f) of the said order is not applicable.
- x. (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Hence comment on Paragraph 3(x)(a) of the said order is not applicable.
- (b) According to the information and explanations given 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 convertible debentures (fully, partially or optionally convertible) during the year. Hence comment on Paragraph 3(x)(b) of the said order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As per Section 177(9) of the Companies Act, 2013, there is no whistle blower complaints received by the company during the year, therefore comment on this clause of the said order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a to c) of the said order is not applicable.
- xiii. 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 such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.





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7, C. R. AVENUE, KOLKATA - 700 072  
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- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of the business.
- (b) We have considered the internal audit reports for the period under audit.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, has not conducted any Non-Banking Financial or Housing Finance activities and is not a Core Investment Company as defined in the regulations made by the Reserve bank of India. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the said order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year and immediately preceding financial year. Hence comment on paragraph 3(vii) of the said order is not applicable.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Hence, comment on paragraph 3(xviii) of the said order is not applicable.
- xix. On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payments of financial liabilities, other information accompanying the Ind As Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any materiality uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liabilities existing as on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section (5) of Section 135 of the said act. Accordingly, reporting under clause 3(xx)(a) of the said order is not applicable.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects. So, compliance with sub section (6) of Section 135 is not applicable. Accordingly, reporting under clause 3(xx)(b) of the said order is not applicable.

**For Salarpuria & Partners**  
**Chartered Accountants**  
**Firm ICAI Reg. No. 302113E**  
**Sarvesh Kumar Singh**  
  
Chartered Accountant  
Membership No.-061367  
Partner



UDIN: 22069367 AN RXC4 711  
Place: Kolkata  
Date: 30.05.2022



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[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)  
Branches at New Delhi & Bangalore

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

*(Referred to Paragraph 2 (f) of Report on Other Legal and Regulatory Requirements of our Report of even date)*

We have audited the internal financial controls over financial reporting of **Kanak Projects Limited** ("the Company") as of 31st March, 2022, 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***

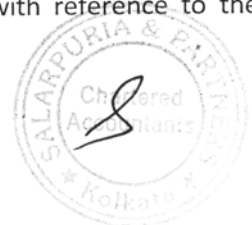
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

### ***Auditors' Responsibility***

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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







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[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)

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## **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 with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Salarpuria & Partners**

**Chartered Accountants**

**Firm ICAI Reg. No. 302113E**

**Sarvesh Kumar Singh**

Chartered Accountant  
Membership No.-069367  
Partner



UDIN 22069367ANRZX4711

Place: Kolkata

Date: 30.05.2022

**KANAK PROJECTS LIMITED**  
CIN : L67020WB1979PLC031867

**Standalone Balance Sheet as at 31st March, 2022**

Amounts in Hundreds

PARTICULARS		Notes	As At 31st March, 2022 (₹)	As At 31st March, 2021 (₹)
<b>ASSETS</b>				
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	1,22,290.90	1,51,810.99
	(b) Investment Property	4	13,01,426.69	9,98,205.23
	(c) Financial assets			
	i. Investments	5	57,51,394.61	39,34,631.61
	ii. Loans	6	10,13,221.87	10,13,221.87
	iii. Other financial assets	7	7,29,347.04	18,951.07
	(d) Other non-current assets	8	6,44,587.72	1,90,087.72
	<b>Total non-current assets</b>		<b>95,62,268.83</b>	<b>63,06,908.49</b>
(2)	<b>Current assets</b>			
	(a) Inventories	9	3,40,694.36	4,46,163.84
	(b) Financial assets			
	i. Trade Receivables	10	3,29,676.44	3,19,053.06
	ii. Cash and Cash Equivalents	11	67,709.93	6,16,164.81
	iii. Bank Balances other than Cash & Cash Equivalents	12	10,59,288.71	30,50,968.72
	iv. Loans	6	4,63,756.18	3,83,473.47
	v. Other financial assets	7	1,57,478.63	3,89,321.57
	(c) Current Tax Asset (net)	13	1,04,181.62	-
	(d) Other current assets	14	8,045.05	47,328.75
	<b>Total current assets</b>		<b>25,30,830.92</b>	<b>52,52,474.22</b>
	<b>Total assets (1+2)</b>		<b>1,20,93,099.75</b>	<b>1,15,59,382.71</b>


PARTICULARS		Notes	As At 31st March, 2022 (₹)	As At 31st March, 2021 (₹)
<b>EQUITY AND LIABILITIES</b>				
(A)	<b>EQUITY</b>			
	(a) Equity share capital	15	4,45,240.00	4,45,240.00
	(b) Other equity	16	1,08,19,965.41	1,02,73,897.60
	<b>Total equity</b>		<b>1,12,65,205.41</b>	<b>1,07,19,137.60</b>
(B)	<b>LIABILITIES</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	i. Borrowing	17	11,713.41	18,393.36
	ii. Other financial liabilities	18	1,92,839.98	1,73,240.96
	(b) Deferred Tax Liabilities (Net)	19	28,801.27	51,814.54
	(c) Other Non- Current liabilities	20	1,09,208.54	1,65,807.76
	<b>Total non-current liabilities</b>		<b>3,42,563.18</b>	<b>4,09,256.62</b>
(2)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	i. Borrowings	21	6,679.95	2,50,637.44
	ii. Trade Payables:-			
	(A) total outstanding dues of micro enterprises and small enterprises; and		9,080.43	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	22	49,355.61	42,430.35
	iii. Other financial liabilities	23	16,373.11	26,311.42
	(b) Current Tax Liability (net)	13		19,775.71
	(c) Other current liabilities	24	35,408.13	34,941.07
	(d) Provisions	25	3,68,433.94	56,892.50
	<b>Total current liabilities</b>		<b>4,85,331.17</b>	<b>4,30,988.49</b>
	<b>Total liabilities (1+2)</b>		<b>8,27,894.35</b>	<b>8,40,245.11</b>
	<b>Total equity and liabilities (A+B)</b>		<b>1,20,93,099.75</b>	<b>1,15,59,382.71</b>


Significant Accounting Policies and Other Notes  
The accompanying Notes are integral part of the Financial Statement  
As per our separate report of even date attached.

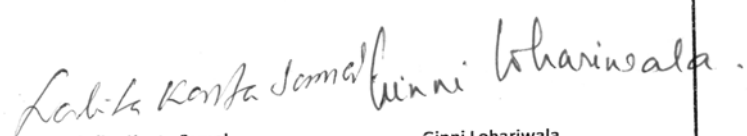
For **SALARPURIA & PARTNERS**  
Chartered Accountants  
Firm Reg. No.302113E

For and on behalf of the Board of Directors

  
Sarvesh Kumar Singh  
Partner  
Membership No : 069367

  
Sudhir Prakash  
(Managing Director)  
DIN-00434020

  
Anshuman Prakash  
(Director)  
DIN-00434909

  
Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391M

Ginni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C

Place : Kolkata  
Date : 30.05.2022





**KANAK PROJECTS LIMITED****CIN : L67020WB1979PLC031867****Statement of Standalone Profit & Loss for the year ended 31st March, 2022**

(Amount in Rs.Hundreds)

PARTICULARS		Notes	Year ended 31st March, 2022 (₹)	Year ended 31st March, 2021 (₹)
I.	Revenue			
	Revenue from Operations	26	16,54,914.73	27,41,613.38
	Other Income	27	7,19,481.07	11,59,366.18
	<b>Total Income (I)</b>		<b>23,74,395.80</b>	<b>39,00,979.56</b>
II.	Expenses			
	Purchases of Stock-in-Trade	28	7,80,035.50	22,37,179.80
	Changes in Inventories of Finished Goods and Stock-in-Trade	29	1,05,469.48	(2,57,127.97)
	Employee Benefit Expense	30	1,94,594.43	1,58,898.84
	Finance Costs	31	19,152.73	67,461.49
	Depreciation and Amortisation Expense	32	75,335.35	58,290.51
	Other Expenses	33	6,26,661.47	4,43,827.05
	<b>Total Expenses (II)</b>		<b>18,01,248.96</b>	<b>27,08,529.72</b>
III.	<b>Profit/(loss) before tax (I-II)</b>		<b>5,73,146.84</b>	<b>11,92,449.84</b>
IV.	Income tax expense			
	- Current tax		1,39,497.50	2,92,473.50
	- Deferred tax		(28,722.71)	7,632.87
	Income Tax For Earlier Year		(17,740.98)	-
	<b>Total tax expense (IV)</b>		<b>93,033.81</b>	<b>3,00,106.37</b>
V.	<b>Profit for the year (III- IV)</b>		<b>4,80,113.03</b>	<b>8,92,343.48</b>
VI.	Other Comprehensive Income			
	A(i) Items that will not be reclassified to Profit or Loss			
	Changes in Fair Value of FVOCI Equity instruments		66,588.10	2,53,482.87
	Remeasurements of post-employment defined benefit obligations		(2,121.11)	(910.91)
	A(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(4,886.08)	(51,201.01)
	B(i) Items that will be reclassified to Profit or Loss			
	Changes in Fair Value of FVOCI Debt Instruments		7,197.20	-
	B(ii) Income Tax relating to items that will be reclassified to Profit or Loss		(823.36)	-
VII.	<b>Total Comprehensive Income for the period (V + VI) (comprising profit (loss) and other comprehensive income for the period)</b>		<b>5,46,067.79</b>	<b>10,93,714.42</b>
VIII.	Earnings per equity share			
	Basic & Diluted	35	10.78	20.04

**Significant Accounting Policies And Other Notes**

The accompanying Notes are integral part of the Financial Statement

As per our separate report of even date attached.

For SALARPURIA &amp; PARTNERS

Chartered Accountants

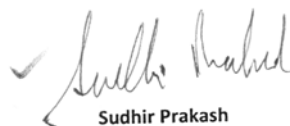
Firm Reg. No.302113E



Sarvesh Kumar Singh

Partner

Membership No : 069367


Sudhir Prakash  
(Managing Director)  
DIN-00434020

Anshuman Prakash  
(Director)  
DIN-00434909


Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391MGinni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C

Place : Kolkata

Date : 30.05.2022



**KANAK PROJECTS LIMITED****Statement of Standalone Cash Flow for the year ended 31st March, 2022***(Amount in Rs.Hundreds)*

PARTICULARS	Year ended 31st March, 2022 (₹)	Year ended 31st March, 2021 (₹)
<b>Cash flow from operating activities</b>		
Profit before tax	5,73,146.84	11,92,449.84
<b>Adjustments for</b>		
Depreciation and Amortisation Expenses	75,335.35	58,290.51
Dividend on Investments	(4,144.60)	(2,261.01)
Bad Debt	-	(3,472.00)
(Profit)/Loss on Sale of Mutual Fund	(1,95,676.21)	(4,28,732.13)
(Profit)/Loss from Partnership Firm	-	(4,031.90)
(Profit)/Loss from Sale of Motor Car	-	(8,440.07)
Finance costs	3,474.99	41,298.37
Net Gain on Financial Instruments measured at Fair Value through Profit and Loss	(2,18,345.62)	88,890.66
Interest Received	(1,91,103.76)	(3,87,740.02)
<b>Income from Operating Activities before changes in Operating Assets and Taxes</b>	<b>42,686.99</b>	<b>5,46,252.25</b>
(Increase)/Decrease in Inventories	1,05,469.48	(2,57,127.97)
(Increase)/Decrease in Trade Receivables	(10,623.38)	(2,88,771.38)
(Increase)/Decrease in Loans- Current	(80,282.71)	94,575.68
(Increase)/Decrease in Other Financial Assets- Current	2,31,842.95	(1,10,171.17)
(Increase)/Decrease in Current Assets	39,283.70	(42,076.02)
Increase/(Decrease) in Trade Payables	16,005.69	(5,851.84)
Increase/(Decrease) in Other Financial Liabilities-Current	(9,938.31)	(5,971.24)
Increase/(Decrease) in Other Current Liabilities	3,07,751.56	22,264.61
<b>Cash generated from operations</b>	<b>6,42,195.97</b>	<b>(46,877.09)</b>
Income taxes paid	(2,44,700.90)	(2,30,596.51)
<b>Net cash inflow from operating activities</b>	<b>3,97,495.06</b>	<b>(2,77,473.60)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment	(12,681.72)	(1,00,557.58)
Sale of Property, Plant and Equipment	-	33,438.07
Purchase of Investment Property	(3,36,355.00)	(2,05,755.00)
Payments for (Purchase)/Sale of Investments (Net)	(13,29,703.34)	14,63,833.40
Interest Received	1,91,103.76	3,87,740.02
Dividend Received	4,144.60	2,261.01
Fixed Deposits	6,18,730.08	1,24,967.41
Loan Given	-	2,32,405.27
Advance Given	(4,54,500.00)	-
Repayment of Advance Given	-	1,88,500.00
<b>Net cash outflow from investing activities</b>	<b>(13,19,261.62)</b>	<b>21,26,832.60</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,474.99)	(41,298.37)
Loan/ Advance Taken	(6,679.95)	18,393.36
Loan/ Advance Paid	(38,650.02)	(23,573.23)
(Repayment)/ Acceptance of Security Deposit (Net)	4,859.99	(14,07,237.06)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(43,944.97)</b>	<b>(14,53,715.30)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(9,65,711.52)</b>	<b>3,95,643.70</b>
Cash and cash equivalents at the beginning of the financial year	10,33,421.44	6,37,777.75
<b>Cash and cash equivalents at end of the year</b>	<b>67,709.93</b>	<b>10,33,421.44</b>



**KANAK PROJECTS LIMITED****Statement of Standalone Cash Flow for the year ended 31st March, 2022**

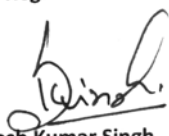
PARTICULARS	As At	As At
	31st March, 2022 (₹)	31st March, 2021 (₹)
Balances with banks		
- On Current Accounts	42,712.36	5,94,135.37
- On Bank Overdraft	-	(2,44,463.29)
- On Fixed Deposits having maturity of less than 3 months	-	-
- On Fixed Deposits pledged against Bank Overdraft	-	6,61,719.93
Cheques on hand	22,723.57	12,054.93
Cash on hand	2,274.00	9,974.51
<b>Balances as per statement of cash flows</b>	<b>67,709.93</b>	<b>10,33,421.44</b>

**Note :**

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as prescribed under Indian Accounting Standard 7 (Ind AS 7) notified in Section 133 of the Companies Act, 2013.
- (ii) Previous year's figures have been regrouped/ recasted wherever necessary.


As per our separate report of even date attached hereto.

For **SALARPURIA & PARTNERS**  
Chartered Accountants  
Firm Reg. No.302113E

  
**Sarvesh Kumar Singh**  
Partner  
Membership No : 069367

For and on behalf of the Board of Directors

  
**Sudhir Prakash**  
(Managing Director)  
DIN-00434020

  
**Anshuman Prakash**  
(Director)  
DIN-00434905

Place : Kolkata  
Date : 30.05.2022

  
**Lalita Kanta Samal**  
(Chief Financial Officer)  
PAN-AKTPS1391M

  
**Ginni Lohariwala**  
(Company Secretary)  
PAN-AJYPL5486C



## KANAK PROJECTS LIMITED

CIN : L67020WB1979PLC031867

## Statement of Standalone Changes in Equity for the period ended 31st March, 2022

A. Equity share capital (Refer Note No 15)

PARTICULARS	As At 31st March, 2022				As At 31st March, 2021			
	Balance at the beginning of the reporting period	Changes in Equity Share Capital due to Prior Period Errors	Restated Balance at the beginning of the Year	Changes during the year	Balance at the end of the reporting period	Balance at the beginning of the reporting period	Changes during the year	Balance at the end of the reporting period
Number of Shares	44,52,400.00	-	44,52,400.00	-	44,52,400.00	44,52,400.00	-	44,52,400.00
Equity Share Capital	4,45,240.00	-	4,45,240.00	-	4,45,240.00	4,45,240.00	-	4,45,240.00
Total	4,45,240.00	-	4,45,240.00	-	4,45,240.00	4,45,240.00	-	4,45,240.00

B. Other Equity (Refer Note No 16)

PARTICULARS	RESERVES & SURPLUS			OTHER COMPREHENSIVE INCOME		
	General Reserve	Retained Earnings	Total	Fair Value Gain/ (Loss) on Equity Instruments	Total	TOTAL OTHER EQUITY
Balance as at 31st March, 2020	35,59,863.17	54,97,915.33	90,57,778.50	1,22,404.71	1,22,404.71	91,80,183.21
Profit for the year 2020-21	-	8,92,343.48	8,92,343.48	-	-	8,92,343.48
Transfer on Sale of Equity Investment	-	32,500.00	32,500.00	(32,500.00)	(32,500.00)	-
Other Comprehensive Income for 2020-21	-	(294.03)	(294.03)	2,01,664.98	2,01,664.98	2,01,370.94
Balance as at 31st March, 2021	35,59,863.17	64,22,464.78	99,82,327.95	2,91,569.68	2,91,569.68	1,02,73,897.63
Profit for the year 2021-22	-	4,80,113.03	4,80,113.03	-	-	4,80,113.03
Other Comprehensive Income for 2021-22	-	(970.39)	(970.39)	66,925.14	66,925.14	65,954.75
Balance as at 31st March, 2022	35,59,863.17	69,01,607.42	1,04,61,470.59	3,58,494.83	3,58,494.83	1,08,19,965.41

As per our separate report of even date attached hereto.

For SALARPURIA & PARTNERS  
Chartered Accountants  
Firm Reg. No. 302113E

*Sarvesh Kumar Singh*  
Partner  
Membership No : 069367

For and on behalf of the Board of Directors

*Sudhir Prakash*  
Sudhir Prakash  
(Managing Director)  
DIN-00434020

*Anshuman Prakash*  
Anshuman Prakash  
(Director)  
DIN-00434909

*Lalita Kanta Samal*  
Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391M

*Ginni Lohariwala*  
Ginni Lohariwala  
(Company Secretary)  
PAN-AUYPL5486C



Place : Kolkata  
Date : 30.03.2022

# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

### CORPORATE INFORMATION

**KANAK PROJECTS LIMITED** bearing CIN - L67020WB1979PLC031867 is a Public Limited Company, listed in Calcutta Stock Exchange, incorporated in India on February 5, 1979 with the name Sreela Chem Industrial Investment Limited. Further on 21st November 1988, the company amalgamated with Kanak Investments Limited, Semni Valley Investments Private Limited and Kytharam Investments Private Limited and changed its name to Kanak Projects Limited as per the High Court Order. The registered office of the Company is situated at 41, Chowringhee Road, Kanak Building, Kolkata 700071.

The Company is primarily engaged in the business of renting of immovable properties. Its allied business activity also includes investing, acquiring, holding or otherwise dealing in shares, stocks and other securities.

The financial statement for the year ended 31st March, 2022 was approved for issue by the Board of Directors of the company on 30th June, 2022 and subject to adoption by the shareholders in the ensuing Annual General Meeting.

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1 Significant Accounting Policies

##### a) *Statement of Compliance with Ind AS*

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

##### b) *Basis of preparation and presentation*

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

##### c) *Historical Cost Convention*

The financial statements have been prepared on the historical cost basis except for certain items which are measured at fair value at the end of each reporting period, as explained below:

- (i) certain financial assets and liabilities that is measured at fair value;
- (ii) defined benefit plans – plan assets measured at fair value;

##### d) *Operating Cycle*

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained their operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

##### e) *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 ("functional currency"). The financial statements are presented in Indian Rupees (Rs.), which is the functional currency of the Company.



# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

### 2 Revenue Recognition

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.

Effective April 1, 2018, the Company had applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted Ind AS 115 using cumulative effect method. The impact of adoption of this Standard on the financial statements of the Company is insignificant.

#### a) Rental Income

Lease rentals are accounted for on accrual basis.

#### b) Interest Income

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

Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

#### c) Dividend Income

Dividend income is recognised when the Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

#### d) All other income are accounted for on accrual basis.

### 3 Expenses

All expenses are accounted for on accrual basis.

### 4 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Historical cost of an asset includes the purchase cost of asset, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

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

#### (a) Depreciation methods, estimated useful lives and residual value

Freehold Land is not depreciated. Depreciation is calculated using the written down method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful life is taken as per prescribed useful life in Part C of Schedule II to the Companies Act, 2013. The asset's residual values (5%) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

### 5 Investment Property

Investment properties include those portions of land and buildings appurtenant thereto that are held for long-term rental yields and/or for capital appreciation and properties under operating leases, that is held for long-term capital appreciation or for a currently indeterminate use but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties like land are initially recognised at cost and investment property like building is recorded at cost less accumulated depreciation and accumulated impairment losses, if any. These are also subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.



## **KANAK PROJECTS LIMITED**

### **Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022**

#### ***Depreciation methods, estimated useful lives and residual value:***

Freehold Land is not depreciated. Depreciation is calculated using the written down method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful life is taken as per prescribed useful life in Part C of Schedule II to the Companies Act, 2013. The asset's residual values (5%) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

#### **6 Inventories**

##### **Securities held as stock-in-trade**

- a) Securities acquired with the intention of short-term holding and trading positions are considered as Inventories and shown as current assets.
- b) In respect of securities held as inventories, brokerage and stamp duty are written off as revenue expenditure.
- c) The securities held as inventories under current assets are valued at Fair Value using Ind AS 109 - 'Financial Instruments'.

##### **Building held as stock-in-trade**

- a) Building acquired with the intention of short-term holding ,trading positions and to earn rental income is considered as Inventories and shown as current assets.
- b) The building held as inventories under current assets is valued at Cost.

#### **7 Borrowing Costs**

General and specific borrowings costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take substantial period of time to get ready for intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

#### **8 Leases**

Effective from 1 April 2019, the Company has applied Ind AS 116, which replaced the existing lease standard, Ind AS 17 Leases and other interpretations.

The Company at the inception of a contract, assesses whether a contract, is or contains a lease. Further such lease is classified as either Financial Lease or Operating Lease:

Financial Lease - Agreements are classified as Financial Leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the Lessee.

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease.

##### **a) When the Company is a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Payments received under operating leases are recognized as income in the Statement of Profit and Loss on a Systematic basis over the lease term.

##### **b) When the Company is a Lessee**

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees where a lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities.





# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

### 9 Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.  
If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.  
When discounting is used, the increase in the passage of time is recognized as finance costs.  
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.  
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.
- b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.  
If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).
- c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.  
When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.
- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 10 Impairment of Assets

#### a) Non-financial assets

Property, plant and equipment, Investment property and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.  
An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.  
For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).  
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

#### b) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.





## KANAK PROJECTS LIMITED

### Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

#### 11 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

##### a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The amendment in Ind AS 12 regarding the Income Tax uncertainty over Income Tax treatments clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

##### b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

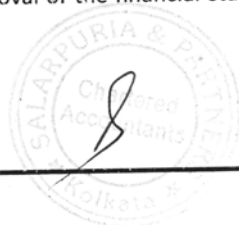
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

#### 12 Earnings per Share

- Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.
- Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.
- The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



# **KANAK PROJECTS LIMITED**

## **Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022**

### **13 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

### **14 Cash Flow Statement**

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

### **15 Employee Benefits**

#### **a) Short-term employee benefits**

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

#### **b) Defined contribution plans**

The Company makes contributions to defined benefit schemes which are mainly administered through duly constitute Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with the Government and recognised as expense.

Post retirement defined benefits i.e gratuity is funded with LICI and are determined through independent actuarial valuation.

The service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

### **16 Financial Instruments**

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

#### **(A) Financial Assets**

##### **(i) Initial Recognition & Measurement**

All the financial assets are recognised at Fair Value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, that are not measured at fair value through profit or loss, are added to the fair value on initial recognition.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and other financial instruments.

##### **(ii) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and
- 3) At fair value through profit or loss (FVTPL).

##### **(a) Investment in Preference Shares at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
  - 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR) Method.



## KANAK PROJECTS LIMITED

### Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

#### (b) Investment in Debentures at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
  - 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR) Method.

#### (c) Investment in Mutual Funds at Fair Value through Profit or Loss (FVTPL)

The investments held in the liquid funds whether being debt or equity instruments, generate cash flows that represent payments of principal and interest. However, the holder of the liquid fund at its discretion has the option to sell its investments in order to optimise returns. Therefore, the cash flows paid by the fund to the unit holder comprise gains/losses on the instruments held by the fund, in addition to interest and principal cash flows from those instruments.

The business model objective is achieved by both collecting contractual cash flows and selling its financial assets. Therefore the liquid funds are classified as Fair Value through Profit or Loss (FVTPL).

#### (d) Investment in Equity investments at Fair Value through Other Comprehensive Income (FVTOCI)

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in associates which are carried at cost. The Company makes such election on an instrument by instrument basis.

All quoted equity instruments are measured at fair value which is determined based on Level-1 inputs that is quoted prices (unadjusted) in active markets and last traded prices.

All unquoted equity instruments are measured at fair value by taking into account the financial statements of such instruments to the extent available to the Company.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

However, the Company may transfer the cumulative gain or loss within equity.

#### (iii) De- Recognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

### (B) Financial Liabilities

#### (i) Initial Recognition & Measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs.

The financial liabilities include security deposits, trade and other payables, loans and borrowings including bank overdrafts, other financial instruments, etc.

#### (ii) Subsequent measurement

For the purpose of subsequent measurement, Financial liabilities are classified through amortised cost.

##### **Financial Liabilities at amortised cost**

The security deposits are held for collecting the contractual cash flows (i.e. original amount of deposit), which is the principal amount outstanding (the interest being nil), it meets the criteria for measurement at amortised cost using the Effective Interest Rate (EIR) method.

The difference between the fair value of the deposits and the transaction price on initial recognition of the deposit is accounted for separately as "Pre-received income" shown under the head 'Other Financial Liabilities'. The accounting treatment for these will depend upon the nature of the element included in the deposits. Had the entity not placed the deposits with the lessor, the monthly rentals would have been higher. This indicates that the nature of the interest-free element in these deposits represents a pre-received income. Hence, this difference will be recognised as 'Pre-received Income', which will be amortised to the statement of profit and loss over the life of the deposit on a straight line basis.

The deposits would subsequently be measured at amortised cost, which is computed using the Effective Interest Rate (EIR) method. The entity should, over the period of the lease/contract, recognise and accrue its amortised cost of deposits as finance cost calculated at the market rate of interest for such deposits.



## KANAK PROJECTS LIMITED

### Notes to the Standalone Financial Statement as at and for the year ended March 31, 2022

#### (C) Offsetting of Financial Instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### (D) Fair Value Measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement".

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

#### NOTE 2 : USE OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

##### Estimates and assumptions

In the process of applying the Company's accounting policies, management has made the following judgments, which have most significant effect on the amounts recognised in the financial statement.

##### i) *Estimation of Defined benefit obligations*

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

##### ii) *Estimated fair value of unlisted securities*

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined based on the networth of underlying companies.



# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

Note 3: Property, plant and equipment

Reconciliation of Carrying Amount

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2022
	As at March 31, 2021	Additions during the year	Adjustments/ sales during the year	As at March 31, 2022	As at March 31, 2021	Additions during the year	Adjustments/ sales during the year	As at March 31, 2022	
Tube Well	54.42			54.42	-			-	54.42
Plant & Machinery	30,481.27	4,238.00		34,719.27	7,390.23	4,893.36		12,283.59	22,435.68
Motor Car	1,14,058.34			1,14,058.34	32,168.08	25,308.64		57,476.72	56,581.62
Air Conditioner	17,464.15	4,125.76		21,589.91	11,113.53	1,359.82		12,473.35	9,116.56
Pump Machine	1,598.49			1,598.49	706.77	227.89		934.66	663.83
Furniture & Fixtures	41,303.73	1,162.30		42,466.03	27,519.52	3,365.82		30,885.34	11,580.69
D.G Set	34,411.81			34,411.81	21,979.97	2,285.27		24,265.24	10,146.57
Electrical Fittings	9,591.91			9,591.91	6,196.51	847.04		7,043.55	2,548.36
Office & Factory Equipments	3,213.93	1,358.00		4,571.93	2,605.18	322.43		2,927.61	1,644.32
Water Tank	60.85			60.85	3.44			3.44	57.41
Computer	5,522.81	1,797.66		7,320.47	2,947.15	1,968.17		4,915.32	2,405.15
Fire Protection System	25,179.64			25,179.64	19,252.54	1,489.49		20,742.03	4,437.61
Water Treatment Plant	2,236.57			2,236.57	1,484.01	133.88		1,617.89	618.68
<b>Total</b>	<b>2,85,177.92</b>	<b>12,681.72</b>	<b>-</b>	<b>2,97,859.64</b>	<b>1,33,366.93</b>	<b>42,201.81</b>	<b>-</b>	<b>1,75,568.74</b>	<b>1,22,290.90</b>

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2021
	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	
Tube Well	54.42			54.42	-			-	54.42
Plant & Machinery	16,673.84	9,462.00		26,135.84	3,453.75	3,936.48		7,390.23	18,745.61
Motor Car	55,331.66	83,724.68	24,998.00	1,14,058.34	42,799.06	13,463.92	24,094.90	32,168.08	81,890.26
Air Conditioner	17,464.15			17,464.15	9,745.63	1,367.89		11,113.53	6,350.62
Pump Machine	1,598.49			1,598.49	400.65	306.12		706.77	891.72
Furniture & Fixtures	37,733.05	3,570.68		41,303.73	23,597.34	3,922.18		27,519.52	13,784.21
D.G Set	34,411.81			34,411.81	19,179.38	2,800.59		21,979.97	12,431.84
Electrical Fittings	9,491.61	100.30		9,591.91	4,977.83	1,218.68		6,196.51	3,395.40
Office & Factory Equipments	7,379.36	180.00		7,559.36	2,443.15	162.03		2,605.18	4,954.18
Water Tank	60.85			60.85	3.44			3.44	57.41
Computer	2,002.89	3,519.92		5,522.81	1,550.46	1,396.68		2,947.15	2,575.66
Fire Protection System	25,179.64			25,179.64	17,263.10	1,989.44		19,252.54	5,927.10
Water Treatment Plant	2,236.57			2,236.57	1,321.16	162.85		1,484.01	752.56
<b>Total</b>	<b>2,09,618.34</b>	<b>1,00,557.58</b>	<b>24,998.00</b>	<b>2,85,177.92</b>	<b>1,26,734.95</b>	<b>30,726.87</b>	<b>24,094.90</b>	<b>1,33,366.93</b>	<b>1,51,810.99</b>

The Company has not Revalued any of its Property, Plant and Equipments during the Financial Year 2021-2022

**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 4: Investment Property  
Reconciliation of Carrying Amount***(Amount in Rs.Hundreds)*

<b>PARTICULARS</b>	<b>As at 31st March,2022</b>	<b>As at 31st March,2021</b>
<b>Freehold Land</b>		
<b>Gross Carrying Amount of Property</b>		
Opening Gross Values	4,50,525.00	2,44,770.00
Additions During the Year		2,05,755.00
Disposals During the Year	-	-
<b>Balance at the end of the Year</b>	<b>4,50,525.00</b>	<b>4,50,525.00</b>
<b>Accumulated Depreciation</b>		
Opening Balance	-	-
Depreciation during the year	-	-
Closing Balance	-	-
<b>Net Carrying Amount</b>	<b>4,50,525.00</b>	<b>4,50,525.00</b>
<b>Building</b>		
<b>Gross Carrying Amount of Property</b>		
Opening Gross Values	6,63,747.70	6,63,747.70
Additions During the Year	3,36,355.00	-
Disposals During the Year	-	-
<b>Balance at the end of the Year</b>	<b>10,00,102.70</b>	<b>6,63,747.70</b>
<b>Accumulated Depreciation</b>		
Opening Balance	1,16,067.47	88,503.83
Depreciation during the year	33,133.54	27,563.64
Closing Balance	1,49,201.01	1,16,067.47
<b>Net Carrying Amount</b>	<b>8,50,901.69</b>	<b>5,47,680.23</b>
<b>Total</b>	<b>13,01,426.69</b>	<b>9,98,205.23</b>





**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022**

(Amount in Rs.Hundreds)

**Note 5: Non-Current Investments**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Nos/Units	Amount (₹)	Nos/Units	Amount (₹)
<b>1) Investment in Equity Instruments</b>				
<b>(A) Quoted Shares (Measured at FVTOCI)</b>				
Aditya Birla Capital Ltd.	371	399.38	371	442.60
Aditya Birla Fashion & Retail Ltd.	920	2,779.32	920	1,851.50
Blue Diamond Sec.Ltd.	23,800	238.00	23,800	238.00
Chennai Meenakshi Multispeciality Hospital	1,000	231.50	1,000	97.40
Digjam Limited	40	76.00	40	1.94
DLX Ltd.	9,77,500	56,108.50	9,77,500	56,108.50
Dunlop India Ltd.	100	1.00	100	1.00
El Forge	50	0.50	50	0.50
Gillandars Aribunates Co. Ltd.	24	15.65	24	9.88
GMMCO Limited	15	0.15	15	0.15
Grasim Industries Ltd.	265	4,409.59	265	3,843.95
Great Eastern Shipping Co. Ltd.	25	86.33	25	78.17
Gujrat Heavy Chemicals Ltd.	500	1,737.75	500	1,147.50
Haileyburia T. E. Ltd.	7,195	1,295.10	7,195	1,295.10
Haryana Petrochemicals Ltd.	500	5.00	500	5.00
Himatsingha Seide Ltd.	800	1,204.00	800	1,158.80
J.K. Cement Limited	49	1,191.34	49	1,419.66
Jalpac India Ltd.	300	3.00	300	3.00
Kakatiya Textiles Ltd.	1,000	111.50	1,000	6.50
KCP Ltd.	250	289.63	250	209.38
KCP Sugar and Industries	250	62.63	250	36.75
Kilkotagiri & Thirumalai Plant Ltd	4	0.04	4	0.04
Mahindra Gesco Developers Ltd.	2	0.02	2	0.02
Manjushree Plantations Ltd.	600	6.00	600	6.00
Mcleod Russel India	1,314	299.57	1,314	250.96
Methoni Tea Co. Ltd.	400	104.00	400	104.00
Midland Rubber & Produce Co. Ltd.	200	2.00	200	2.00
Nelliampathy Tea & Produce Co. Ltd.	100	1.00	100	1.00
Peria Karamalai Tea & Produce Co. Ltd.	328	1,026.64	328	721.28
R.K.Commercial Ltd.	1,08,310	5,415.50	1,08,310	5,415.50
Saurashtra Chemical Ltd.	700	7.00	700	7.00
Sunflag Iron & Steel Co. Ltd.	755	476.03	755	473.01
Unimers India Limited	75	4.50	75	4.25
United Nilgiri Tea Estates Co. Ltd.	450	1,521.23	450	1,341.46
Uniworth India Ltd.	350	3.50	350	3.50
Vikash WSP Ltd.	1,000	33.50	1,000	59.50
<b>Total (A)</b>		<b>79,146.40</b>		<b>76,344.77</b>
<b>(B) Unquoted Shares</b>				
<b>(i) In Associate (Measured at Cost) :</b>				
Lao Jan Tea Co.Pvt. Ltd.	8,000	8,000.00	8,000	8,000.00
<b>(ii) In Others (Measured at FVTOCI) :</b>				
Purbanchal Concast Pvt. Ltd.	21,75,000	3,54,908.97	21,75,000	3,26,543.82
Mangalmayee Vypar Pvt Ltd.	2,35,000	23,180.83	2,35,000	23,191.44
Ahinsha Properties Ltd.	19,670	5,35,015.75	19,670	5,06,893.33
Amrita Media Pvt. Ltd.	1,20,000	8,467.73	1,20,000	9,634.67
Metropolitan Stock Exchange Ltd.	1,00,000	591.76	1,00,000	651.37
DataNet Ecommerce Services Ltd.	17,50,000	3,58,536.05	17,50,000	3,50,000.00
<b>Total (B)</b>		<b>12,88,701.10</b>		<b>12,24,914.62</b>



# KANAK PROJECTS LIMITED

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Nos/Units	Amount (₹)	Nos/Units	Amount (₹)
<b>2) Investment in Preference Instruments</b>				
<b>1.(Measured at Amortised Cost)</b>				
<b>(A) In Associate:</b>				
0.1% Cumulative Redeemable Preference Shares of Laojan Tea Company Private Limited	85,000	80,030.44	85,000	74,102.24
<b>(B) In Others:</b>				
6% Non Cumulative Non- Convertible Redeemable Preference Shares of DLX Limited.	4,00,000	3,66,137.30	7,00,000	6,43,701.80
12% Optionally Convertible Cumulative Preference Shares of Farm Enterprises Limited	6	0.60	6	0.60
5% Non Cumulative Optionally Convertible Redeemable Preference Shares of Ahinsha Properties Limited	-	-	60,000	2,79,683.84
5% Non Cumulative Non- Convertible Redeemable Preference Shares of DataNet Ecommerce Services Limited	1,50,000	1,08,649.77	1,50,000	1,07,671.67
5% Non Cumulative Redeemable Preference Shares of Praks United Ventures Private Limited	85,000	61,218.69	85,000	60,667.58
8% Non Cumulative Redeemable Preference Shares of Jhilik Promoters & Fincom Private Limited	2,50,000	2,50,000.00	2,50,000	2,50,000.00
<b>2.(Measured at FVTOCI)</b>				
0.0001% Cumulative Compulsorily Convertible Preference Shares of Planys Technologies Pvt Ltd.	45	14,850.00	45	14,850.00
<b>Total (C)</b>		<b>8,80,886.81</b>		<b>14,30,677.73</b>
<b>3) Investment in Mutual Funds ( Measured at FVTPL)</b>				
Kotak Balanced Advantage Fund	20,69,732	2,98,206.91	15,00,000	1,97,670.00
ICICI Pru Small Cap Fund (G)	-	-	2,83,361	1,03,341.86
Religare -Invesco PSU Equity Fund (G)	-	-	2,37,643	57,248.09
Axis Small Cap Fund Reg (G)	-	-	29,595	12,962.41
Invesco India Small Cap Fund Reg (G)	-	-	87,260	13,438.05
ICICI Pru - Business Cycle Fund Reg (G)	-	-	19,99,900	2,10,989.45
ICICI Pru - Technology Fund (G)	59,281	96,384.79	59,281	64,687.30
DSP Floater Fund	14,70,893	1,53,964.21	-	-
ICICI Dividend Yield Equity	63,968	17,540.06	-	-
ICICI Pru Equity Savings Fund (G)	37,98,165	6,53,284.46	-	-
ICICI Pru- Floating Interest Fund (G)	20,860	70,369.42	-	-
ICICI Pru- Ultra Short Term Fund Reg (G)	8,60,247	1,92,869.09	-	-
ICICI Pru Strategic Meta & Energy	39,60,113	4,86,792.98	-	-
UTI Dividend Yield Plan (G)	15,010	15,889.82	-	-
SBI - Savings Fund Reg (G)	20,27,374	6,83,076.98	-	-
Franklin India ST Income Segregated 3(9.5% Yes Bank)	889	612.50	889	612.50
Franklin India ST Income Segregated 2(10.9% Vodafone)	747	656.33	-	-
Axis Ultra Short Term Fund	-	-	13,52,397	1,58,150.62
<b>Total (D)</b>		<b>26,69,647.57</b>		<b>8,19,100.29</b>
<b>4) Investment in Debentures(Measured at Amortised Cost)</b>				
1% Unsecured Optionally Convertible Debentures of DataNet Ecommerce Services Limited	4,00,000	4,14,032.75	4,00,000	3,83,594.21
<b>Total (E)</b>		<b>4,14,032.75</b>		<b>3,83,594.21</b>
<b>5) Investment in Bonds(Measured at FVTOCI) :</b>				
8.99% B.O.B Bonds	40	4,18,980.00	-	-
<b>Total(F)</b>		<b>4,18,980.00</b>		<b>-</b>
<b>TOTAL ( A+B+C+D+E+F)</b>		<b>57,51,394.61</b>		<b>39,34,631.62</b>

Chartered Accountants  
Kolkata



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022***(Amount in Rs.Hundreds)***Note 6: Financial Assets - Loans**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Non-current	Current	Non-current	Current
<b>Loans to Related Parties:-</b>				
(a) Loans Receivables considered good - Secured;				
(b) Loans Receivables considered good - Unsecured;	10,13,221.87	2,78,855.74	10,13,221.87	1,98,535.63
(c) Loans Receivables which have significant increase in Credit Risk				
(d) Loans Receivables - credit impaired				
<b>Loans to Others:-</b>				
(a) Loans Receivables considered good - Secured;	-	-	-	-
(b) Loans Receivables considered good - Unsecured;	-	1,84,900.44	-	1,84,937.84
(c) Loans Receivables which have significant increase in Credit Risk	-	-	-	-
(d) Loans Receivables - credit impaired	-	-	-	-
<b>Total Loans</b>	<b>10,13,221.87</b>	<b>4,63,756.18</b>	<b>10,13,221.87</b>	<b>3,83,473.47</b>

Note:- Outstanding Loan repayable on demand to related party amounts to Rs 14,76,978 (P.Y. Rs 13,96,965).

*(Amount in Rs.Hundreds)***Note 7: Financial Assets - Other Financial Assets**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good</b>				
Security Deposit	18,117.04		18,721.07	
<b>Others</b>				
Interest Accrued:				
Loans	-	-	-	70,777.29
Fixed Deposits		20,366.51		18,850.58
Bonds and Debentures		13,747.62		986.30
Advance against purchase of Shares & Mutual Funds		20,240.23		2,20,159.75
Advances to Employees & Others Receivable		1,03,124.27		78,547.65
Fixed Deposits having maturity more than 12 months	7,11,230.00		230.00	-
<b>Total Other Financial Assets</b>	<b>7,29,347.04</b>	<b>1,57,478.63</b>	<b>18,951.07</b>	<b>3,89,321.57</b>



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 8: Other Non-Current Assets***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Capital Advances	6,44,587.72	1,90,087.72
<b>Total of Other Non-Current Assets</b>	<b>6,44,587.72</b>	<b>1,90,087.72</b>

**Note 9: Inventories***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Equity Shares	3,40,694.36	4,46,163.84
<b>Total Inventories</b>	<b>3,40,694.36</b>	<b>4,46,163.84</b>

**Note 10: Financial Assets - Trade Receivables***(Amount in Rs.Hundreds)*

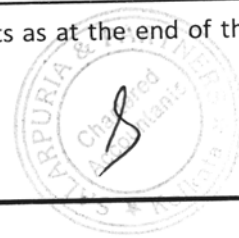
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	3,29,676.44	3,19,053.06
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired	27,042.78	27,042.78
Less: Allowance for Credit Impaired	27,042.78	27,042.78
<b>Total Trade Receivables</b>	<b>3,29,676.44</b>	<b>3,19,053.06</b>

Refer Note - 40(i) for Trade Receivable Ageing Schedule

**Note 11: Financial Assets - Cash and Cash Equivalents***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Balance with Schedule banks		
- On current accounts	42,712.36	5,94,135.37
- On Fixed Deposits having maturity of less than 3 months	-	-
- On Fixed Deposits having maturity of more than 3 months but less than 12 months	10,59,288.71	24,75,936.13
- On Fixed Deposits having maturity more than 12 months	7,11,230.00	230.00
Less:		
- On Fixed Deposits having maturity of more than 3 months but less than 12 months transferred to Bank Balance(Refer Note-12)	(10,59,288.71)	(24,75,936.13)
- On Fixed Deposits having maturity more than 12 months transferred to Other Financial Asset(Refer Note-7)	(7,11,230.00)	(230.00)
	42,712.36	5,94,135.37
Cheque on hand	22,723.57	12,054.93
Cash on hand	2,274.00	9,974.51
<b>Total Cash and Cash Equivalents</b>	<b>67,709.93</b>	<b>6,16,164.81</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 12: Financial Assets - Bank Balances other than Cash & Cash Equivalents***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
- On Fixed Deposits having maturity of more than 3 months but less than 12 months *	10,59,288.71	30,50,968.72
<b>Total</b>	<b>10,59,288.71</b>	<b>30,50,968.72</b>

\* Fixed Deposits under lien/pledge ( Refer Note 21 Financial Liabilities- Borrowings)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
- Fixed Deposits under lien/pledge		6,61,719.93
- Fixed Deposits not under lien/pledge	17,70,518.71	23,89,248.79
<b>Total</b>	<b>17,70,518.71</b>	<b>30,50,968.72</b>

**Note 13: Current Tax Assets/(Liability) (Net)***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax & TDS (Net of Provision)	1,04,181.62	(19,775.71)
<b>Total of Current Tax Assets/(Liability) (Net)</b>	<b>1,04,181.62</b>	<b>(19,775.71)</b>

**Note 14: Other Current assets***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Prepaid Expenses	3,978.26	3,785.72
Advance to Vendors	4,066.79	43,543.03
<b>Total of other non-current assets</b>	<b>8,045.05</b>	<b>47,328.75</b>



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022**

Note 15: Equity share capital

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
<b>Authorised Shares</b>				
Equity Shares of ₹ 10/- each	50,00,000	5,00,000.00	50,00,000	5,00,000.00
		<b>5,00,000.00</b>		<b>5,00,000.00</b>
<b>Issued, Subscribed &amp; Paid Up Shares</b>				
Equity Shares of ₹ 10/- each fully paid up	44,52,400	4,45,240.00	44,52,400	4,45,240.00
<b>Total</b>		<b>4,45,240.00</b>		<b>4,45,240.00</b>

(a) Reconciliation of shares outstanding at the beginning &amp; at the end of the reporting period :

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Equity share capital (Par Value)	No. of shares	Equity share capital (Par Value)
At the beginning of the year	44,52,400	4,45,240.00	44,52,400	4,45,240.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>44,52,400</b>	<b>4,45,240.00</b>	<b>44,52,400</b>	<b>4,45,240.00</b>

(b) Terms and rights 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. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of Liquidation, the holders of Equity Shares will be entitled to receive the remaining assets of the company after payment of all preferential amounts, in proportion of their shareholding.

(c) Disclosures of Shareholdings by Promoters

Shares Held by Promoters at the end of the year:

Promoters Name	As at 31st March, 2022		
	No. of shares	% of total shares	%Changes during the year
Mr. Anshuman Prakash	30,27,580	91.37%	-
Mr. Nikhil Prakash	15,370	0.46%	-
Ms. Poonam Prakash	53,350	1.61%	-
Ms. Radhika Prakash	2,15,850	6.51%	-
Mr. Sudhir Prakash	1,350	0.04%	-
Darshanlal Anand Prakash & Sons Private Limited	100	0.003%	-
<b>TOTAL</b>	<b>33,13,600</b>	<b>100.00%</b>	<b>-</b>

Promoters Name	As at 31st March, 2021		
	No. of shares	% of total shares	%Changes during the year
Mr. Anshuman Prakash	30,27,580	91.37%	-
Mr. Nikhil Prakash	15,370	0.46%	-
Ms. Poonam Prakash	53,350	1.61%	-
Ms. Radhika Prakash	2,15,850	6.51%	-
Mr. Sudhir Prakash	1,350	0.04%	-
Darshanlal Anand Prakash & Sons Private Limited	100	0.003%	-
<b>TOTAL</b>	<b>33,13,600</b>	<b>100.00%</b>	<b>-</b>

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

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity Shares of ₹ 10/- Each				
Mr. Anshuman Prakash *	30,27,580	68.00%	30,27,580	68.00%
Anand Vihar Housing Pvt. Ltd.	8,96,610	20.14%	8,96,610	20.14%

\* Includes 29,70,800 shares held as trustee of Anand Prakash Family Trust.

(e) No shares have been reserved for issue under options and contracts or commitments for the sale of Shares or divestment as at the Balance Sheet date.

(f) For the period of five years immediately preceeding the date as at the Balance Sheet is prepared :

- No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- No Shares have been allotted as fully paid up by way of bonus shares.
- No Shares has been brought back by the Company.



# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

### Note 16: Other Equity

#### GENERAL RESERVE

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
At the beginning and at the end of the year:	35,59,863.17	35,59,863.17
Closing balance	35,59,863.17	35,59,863.17

#### RETAINED EARNINGS

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Opening balance	64,22,464.78	54,97,915.34
Add : Net profit/(loss) for the period	4,80,113.03	8,92,343.48
Add : Remeasurements of defined benefit obligation (net of Taxes)	(970.39)	(294.03)
Add: Transfer from FVTOCI Reserve		32,500.00
Closing balance	69,01,607.42	64,22,464.78

#### FVTOCI RESERVE

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Opening balance	2,91,569.67	1,22,404.69
Net Gain/(Loss) on FVTOCI Investments	66,925.14	2,01,664.98
Less: Transfer to Retained Earning on Sale of Unquoted Equity Investment		(32,500.00)
Closing balance	3,58,494.81	2,91,569.67

TOTAL OF OTHER EQUITY	1,08,19,965.41	1,02,73,897.62
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#### Nature and purpose of other reserves:

##### General Reserve

General Reserve is created and will be utilised in compliance with the provisions of the Act.

##### Retained Earnings

Retained earnings represent accumulated profits/(losses) earned by the Company and remaining undistributed as on date.

##### FVTOCI Equity Investments

The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.





**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 17: Non Current Financial Liabilities - Borrowings***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Secured		
Vehicle Term Loan from Bank*	18,393.36	24,567.51
Less: Current Maturity of Term Loan	(6,679.95)	(6,174.15)
<b>Total Non-Current Financial Liabilities - Borrowings</b>	<b>11,713.41</b>	<b>18,393.36</b>

*\*Secured by hypothecation of vehicles financed**Repayment Schedule of Vehicle Loan*

Particulars	2022-2023	2023-2024	2024-2025
Loan Amount Due to be Repaid	6,679.95	7,227.18	4,486.22

**Note 18: Financial Liabilities - Other financial liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Security Deposits from tenants	1,92,839.98	1,73,240.96
<b>Total Other Non-Current Financial Liabilities</b>	<b>1,92,839.98</b>	<b>1,73,240.96</b>

**Note 19: Deferred Tax (Net)***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Difference between Accounting base and Tax base of Assets and Liabilities	51,814.54	(7,019.34)
Add : Deferred tax accounted for the year	(23,013.27)	58,833.88
<b>Total Deferred Tax Liabilities/(Assets) (Net)</b>	<b>28,801.27</b>	<b>51,814.54</b>

**NOTE 19(A) : DEFERRED TAX RECONCILIATION***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Liabilities:</b>		
Fair Valuation of Other Asset and Liability	1,58,440.18	1,20,896.91
<b>Total</b>	<b>1,58,440.18</b>	<b>1,20,896.91</b>
<b>Deferred Tax Assets:</b>		
Fair Valuation of Other Asset and Liability	23,786.92	39,028.40
Property Plant and Equipment	13,124.54	15,735.27
Employee Benefits - Gratuity	3,829.45	2,655.04
Provision for Expenses	88,898.00	11,663.67
<b>Total</b>	<b>1,29,638.90</b>	<b>69,082.37</b>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>28,801.27</b>	<b>51,814.54</b>

**NOTE 19(B) : RECONCILIATION OF TAX EXPENSE ON THE ACCOUNTING PROFIT FOR THE YEAR***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Profit / (loss) before Tax	5,73,146.84	11,92,449.84
Applicable Tax Rate	25.17%	25.17%
Tax using the Company's Tax Rate	1,44,249.60	3,00,115.77
<b>Tax Effect of:</b>		
Exempt Income, net of disallowances	(77,093.41)	(60,439.66)
Income chargeable under different rates	(24,993.26)	(36,538.86)
Permanent Differences	13,583.62	27,413.60
Other Temporary Differences	(28,722.71)	13,919.68
Other Non Deductible Expenses	83,750.95	55,635.81
Income Tax for Earlier Year	(17,740.98)	-
<b>Tax Expense recognised in the Statement of Profit and Loss</b>	<b>93,034.30</b>	<b>3,00,106.35</b>



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 20: Other Non-Current liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Pre- received rent on account of fair valuation of security deposit	1,04,188.57	1,22,137.77
Advance against Property	5,019.97	43,669.99
<b>Total of Other Non-Current Liabilities</b>	<b>1,09,208.54</b>	<b>1,65,807.76</b>

**Note 21: Financial liabilities - Borrowings***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Loans repayable on demand</b>		
Secured		
<b>Working Capital Loan from Axis Bank</b>		
Secured against the pledge/lien of Fixed deposit of the said bank**	-	2,44,463.29
Current Maturity on Long term Borrowings- Vehicle Loan	6,679.95	6,174.15
<b>Total Current Borrowings</b>	<b>6,679.95</b>	<b>2,50,637.44</b>

\*\* Secured against Fixed Deposit taken from Axis Bank Kolkata (WB).The period of renewal is 12 months and the effective return is 7.50 % p.a. (Refer Note 12 - Bank Balances other than Cash & Cash Equivalents)

**Note 22: Financial Liabilities - Trade Payables***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Trade payables</b>		
Total Outstanding dues of Micro Enterprises & Small Enterprises	9,080.43	-
Total Outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	49,355.61	42,430.35
<b>Total Trade Payables</b>	<b>58,436.04</b>	<b>42,430.35</b>

Refer Note - 47 for Trade Payable Ageing Schedule

**Disclosure of Micro, Small and Medium Enterprises .:**

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	9,080.43	NIL
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	NIL	NIL
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
(iv) The amount of interest due and payable for the period of delay in making payment.	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 23: Other Financial liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Payable to Employees	4,632.50	3,875.25
Security Deposits from tenants	3,292.50	3,292.50
Other Advances	8,448.11	12,171.67
Liability for Capital Goods	-	6,972.00
<b>Total Other Financial Liabilities</b>	<b>16,373.11</b>	<b>26,311.42</b>

**Note 24: Other Current liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Pre- received rent on account of fair valuation of security deposit	18,811.62	19,220.96
Statutory Dues	16,494.94	15,584.45
Interest Accrued and not due on Borrowings	101.56	135.65
<b>Total Other Current Liabilities</b>	<b>35,408.13</b>	<b>34,941.07</b>

**Note 25: Provisions***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Employee Benefit- Gratuity	15,215.54	10,549.26
Provision for Rates & Taxes	3,53,218.40	46,343.24
<b>Total Provisions</b>	<b>3,68,433.94</b>	<b>56,892.50</b>





**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****Note 26: Revenue from Operations***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rental Income*	6,08,228.86	5,72,805.21
Sale of Properties	-	1,89,114.70
Sale of Shares	3,50,445.06	9,69,664.76
Sale of Billets	6,87,509.31	10,02,695.21
Other Operating Revenue:		
-License Fees Received	8,731.50	7,333.50
<b>Total Revenue from Operations</b>	<b>16,54,914.73</b>	<b>27,41,613.38</b>

\* Includes Rental Income on account of Fair Valuation of Security Deposit amounting to ₹ 19,297.26/-

(P.Y.

₹ 30,095.18/-)

**Note 27: Other Income***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Interest</b>		
- On Loans	66,137.77	1,73,781.31
- On Fixed Deposits	86,624.40	2,12,552.41
- On Debentures	37,989.59	986.30
- On Others	352.00	420.00
- On account of Fair Valuation of Investments in Preference Shares as per Effective Interest Rate (EIR) Method.	47,689.49	96,199.56
- On account of Fair Valuation of Investments in Debentures as per Effective Interest Rate (EIR) Method.	30,438.54	7,976.44
Dividend Income	4,144.60	2,261.01
Profit on Redemption of Preference Shares	2,519.59	21,568.01
Profit on Sale of Mutual Fund	1,40,951.98	2,46,769.72
Profit on Sale of Property, Plant & Equipments	-	8,440.07
Profit on Future and Option	7,582.16	20,036.52
Share of Profit from Partnership Firm	-	4,031.90
Profit on Sale of Securities(Equity Share)	45,805.94	6,291.39
Compensation Towards Lease Termination	-	1,43,554.24
Miscellaneous Income	57,570.24	70,118.42
Fair Value Gain on Financial Instruments	1,91,674.78	1,44,378.89
<b>Total Other Income</b>	<b>7,19,481.07</b>	<b>11,59,366.19</b>

**Note 28: Purchases of Stock-in-Trade***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchase of Securities	1,36,500.68	12,59,087.71
Purchase of Billets	6,43,534.83	9,78,092.09
<b>Total Purchases of Stock-in-Trade</b>	<b>7,80,035.50</b>	<b>22,37,179.80</b>

**Note 29: Changes in Inventories of Finished Goods, Work-in-Progress***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Inventories at the Beginning of the year</b>		
Securities	4,46,163.85	56,370.63
Properties	-	1,32,665.24
<b>Inventories at the End of the year</b>		
Securities	3,40,694.36	4,46,163.84
Properties	-	-
<b>Changes in Inventories</b>	<b>1,05,469.48</b>	<b>(2,57,127.97)</b>

**Note 30: Employee Benefit Expense***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages, Bonus and Allowances	69,022.63	61,886.06
Contribution to Provident Fund & Other Funds	6,319.30	4,989.69
Director Remuneration	94,300.00	85,500.00
Staff Welfare Expenses	24,952.50	6,523.09
<b>Total Employee Benefit Expense</b>	<b>1,94,594.43</b>	<b>1,58,898.84</b>

# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

### Note 31: Finance Cost

(Amount in Rs.Hundreds)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Working Capital Loan	600.29	40,305.81
Interest on Vehicle Loan	1,686.32	992.56
Finance Cost on account of Fair Valuation of Security Deposit	15,677.74	24,569.98
Interest on Rates and Taxes	1,188.38	1,593.14
<b>Total Finance Cost</b>	<b>19,152.73</b>	<b>67,461.49</b>

### Note 32: Depreciation and Amortisation Expense

(Amount in Rs.Hundreds)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on		
- Property, plant and equipment	42,201.81	30,726.87
- Investment property	33,133.54	27,563.64
<b>Total Depreciation and Amortisation Expense</b>	<b>75,335.35</b>	<b>58,290.51</b>

### Note 33: Other Expenses

(Amount in Rs.Hundreds)

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Loss on Fair Valuation of Investment in Preference Share	-	1,23,097.99
Loss on Fair Valuation of Investment in Debentures	-	24,382.23
Rent,Rates & Taxes	3,12,804.02	57,438.21
Insurance	2,496.16	1,598.98
Repairs to Building	1,61,939.49	67,273.43
Repairs to Plant & Machinery	3,785.12	4,077.28
Repairs to Others	4,741.52	4,132.06
Bad Debts	-	3,472.00
Office Expenses	6,760.28	3,618.12
Motor Car Running & Maintenance Expenses	10,690.02	6,475.17
Donations & Charity(including Corporate Social Responsibility)	25,000.00	46,000.00
Brokerage & Commission	-	5,130.00
Advertisement & Publicity	6,105.45	9,745.22
Security Services	12,322.04	10,557.83
Printing & Stationery	958.95	986.32
Electrical Charges	13,786.33	7,090.20
Communication Expenses	1,880.23	1,866.79
Legal & Professional Fees	47,293.12	30,415.53
<b>Auditor's Remuneration :</b>		
- As Statutory Audit Fees	3,500.00	3,500.00
- As Tax Audit Fees	300.00	500.00
Travelling and Conveyance	3,155.80	3,400.30
Miscellaneous Expenses	4,335.55	3,571.74
Sundry Balances Written off	3,940.21	25,497.66
Director Sitting Fees	220.00	-
Share Speculation Loss	647.18	-
<b>Total Other Expenses</b>	<b>6,26,661.47</b>	<b>4,43,827.05</b>



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****NOTES TO ACCOUNTS :-****34 Fair Value Hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2022 : (Amount in Rs.Hundreds)

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs
<b>Assets measured at fair value:</b>					
<u>Investments at Fair Value through OCI (FVTOCI)</u>	5				
Investments in Quoted equity shares		79,146.40	79,146.40	-	-
Investments in Unquoted equity shares		12,88,701.10	-	-	12,88,701.10
Investments in Bonds		4,18,980.00	-	4,18,980.00	-
Investments in Unquoted Preference Shares		14,850.00	-	-	14,850.00
<u>Investments at Fair Value through Profit or Loss</u>	5				
Investments in Mutual Funds		26,69,647.57	-	26,69,647.57	-
<u>Investments at Amortised Cost</u>	5				
Investments in Unquoted Preference Shares		8,66,036.81	-	-	8,66,036.81
Investments in Debentures	5	4,14,032.75	-	-	4,14,032.75
<b>TOTAL</b>		<b>57,51,394.62</b>	<b>79,146.40</b>	<b>30,88,627.57</b>	<b>25,83,620.65</b>
<b>Liabilities measured at fair value at amortised</b>	18				
Interest-free Security Deposit		1,96,132.48	-	-	1,96,132.48
<b>TOTAL</b>		<b>1,96,132.48</b>	<b>-</b>	<b>-</b>	<b>1,96,132.48</b>

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2021 : (Amount in Rs.Hundreds)

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in	Significant observable	Significant
<b>Assets measured at fair value:</b>					
<u>Investments at Fair Value through OCI (FVTOCI)</u>	5				
Investments in Quoted equity shares		76,344.77	76,344.77	-	-
Investments in Unquoted equity shares		12,24,914.62	-	-	12,24,914.62
Investments in Unquoted Preference Shares		14,850.00	-	-	14,850.00
<u>Investments at Fair Value through Profit or Loss</u>	5				
Investments in Mutual Funds		8,19,100.29	-	8,19,100.29	-
<u>Investments at Amortised Cost</u>					
Investments in Unquoted Preference Shares		14,15,827.73	-	-	14,15,827.73
Investments in Debentures	5	3,83,594.21	-	-	3,83,594.21
Investments in Bonds		-	-	-	-
<b>TOTAL</b>		<b>39,34,631.61</b>	<b>76,344.77</b>	<b>8,19,100.29</b>	<b>30,39,186.65</b>
<b>Liabilities measured at fair value at amortised</b>					
Interest-free Security Deposit	18	1,76,533.46	-	-	1,76,533.46
<b>TOTAL</b>		<b>1,76,533.46</b>	<b>-</b>	<b>-</b>	<b>1,76,533.46</b>

There have been no transfers between Level 1 and Level 2 during the year ended 31st March, 2022 or 31st March, 2021.

**35 Earning Per Equity Share ( Ind AS 33)**

(Amount in Rs.Hundreds)

PARTICULARS	31st March, 2022	31st March, 2021
	₹	₹
(a) Net Profit after tax available for Equity Shareholders	4,80,113.03	8,92,343.48
(b) Weighted average no. of equity shares of ₹ 10/- each outstanding during the year	44,52,400	44,52,400
(c) Basic/Diluted Earnings per Share (a)/(b)	10.78	20.04



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****36 Related Party Disclosure:**

Related Party Disclosure in accordance with the Indian Accounting Standard 24 :

NATURE OF RELATIONSHIP	Sl.No	NAME OF RELATED PARTIES
Key Management Personnel	1	Sudhir Prakash, Managing Director
	2	Anshuman Prakash, Director
	3	Neelima Jain, Director
	4	Nikhil Prakash, Director
	5	Sidhant Prakash, Director
	6	Nitin Kandoi, Independent Director
	7	Princey Kandoi, Independent Director
	8	Lalita Kanta Samal, Chief Financial Officer
	9	Ginni Lohariwala, Company Secretary
Enterprises Owned or Significantly Influenced by Key Managerial Personnel , or their Relatives	10	DLX Ltd
	11	Amrita Media Pvt. Ltd
	12	Megapix Strips & Tubes Pvt. Ltd.
	13	Darshanlal Anand Prakash & Sons Pvt. Ltd
	14	Barsana Farms Pvt Ltd
	15	Arihant Solvex Pvt. Ltd
	16	Purbanchal Concast Pvt. Ltd
Associate Company	17	Laojan Tea Company Private Ltd.

(Amount in Rs.Hundreds)

Sl. No.	NAME OF THE RELATED PARTY	TRANSACTION	As On 31st March,2022 (₹)	As On 31st March,2021 (₹)
1	Purbanchal Concast Pvt. Ltd	Loan Given	-	17,772.03
		Loan Repaid	-	2,50,000.00
		Interest	40,247.54	1,35,278.01
		Interest receivable	-	70,777.29
		Closing Balance of Loan	10,13,221.87	10,13,221.87
		License Fees Received	900.00	900.00
		Sale of Billets	6,87,509.31	10,02,695.21
2	DLX Ltd	Loan Given	-	1,55,000.00
		Loan Repaid	-	2,36,325.27
		Interest	9,834.47	12,081.34
		Closing Balance of Loan	1,18,122.91	1,09,271.89
		Purchase of Preference Shares	-	4,00,000.00
		Redemption of Preference Shares	3,00,000.00	
		Advance Given	31,135.93	11,099.40
3	Arihant Solvex Pvt. Ltd	Refund Of Advance	27,235.33	15,000.00
		Interest	12,743.43	6,380.39
		Loan Given	60,000.00	37,500.00
4	Amrita Media Pvt. Ltd	Closing Balance of Loan	1,60,732.83	89,263.74
		Reimbursement Receivable	5,023.24	3,373.24
5	Barsana Farms Pvt Ltd	License Fees Received	240.00	240.00
6	Megapix Strips & Tubes Pvt. Ltd.	Loan Outstanding	1,58,554.14	1,43,911.18
7	Ginni Lohariwala	Interest	-	14,642.96
		Salary	1,800.00	750.00
8	Nitin Kandoi	Director Sitting Fees	110	-
9	Princey Kandoi	Director Sitting Fees	110	-
10	Anshuman Prakash	Directors Remuneration	30,900.00	28,500.00
11	Nikhil Prakash	Directors Remuneration	32,500.00	28,500.00
12	Sidhant Prakash	Directors Remuneration	30,900.00	28,500.00



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****37 POST RETIREMENT EMPLOYEE BENEFITS (IND AS -19 )****Defined Benefit Plans As Per Actuarial Valuation****Gratuity ( funded by the Company )**

The scheme is funded and the fund is lying with LIC. The company has provided with the balance of the fund as at 01.04.2021 and 31.03.2022 and the information relating to the contribution made and the benefits paid out and interest earned during the period from 01.04.2021 to 31.03.2022

Determination of actuarial assumption depend on various factors such as the company's internal commercial and business plan, various industry factors, applicable economics factors, internal HR related policies (including and changes thereto), regulatory factors, etc .

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the company is exposed to various risk in providing the above gratuity benefit which are as follows:

**Interest Rate Risk :** The plan exposes the company to the risk of fall in interest rates. A fall in interest rate will result in an increase in ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk :** This is the risk that the company is not able to meet the short term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of liquid asset not being sold in time.

**Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Derivation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plans's liability.

**Demographic Risk :** The company has used certain mortality and attrition assumptions in valuation of liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the payment of Gratuity Act, 1972. There is a risk of change in regulations requiring higher gratuity payouts.

**SUMMARY OF ASSETS AND LIABILITY (BALANCE SHEET POSITION)***(Amount in Rs.Hundreds)*

PARTICULARS	As On	
	31st March,2022	31st March,2021
Present value of obligation	35,121.13	28,787.02
Fair Value of Plan Asset	19,905.59	18,237.76
Unrecognised Past Service Cost	-	-
Effects of Asset Ceiling	-	-
<b>Net Asset / (Liability)</b>	<b>(15,215.54)</b>	<b>(10,549.26)</b>

**WINDUP LIABILITY / DISCONTINUANCE LIABILITY***(Amount in Rs.Hundreds)*

PARTICULARS	As On	
	31st March,2022	31st March,2021
Discontinuance Liability	35,132.28	28,842.14
Present Value of Obligation	35,121.13	28,787.02
Ratio ( Present Value of Obligation / Discontinuance Liability )	1.00	1.00

**(i) Details of funded post retirement are as follows:****a. Expense Recognised In Statement of Profit/Loss***(Amount in Rs.Hundreds)*

PARTICULARS	31st March,2022	31st March,2021
Current service Cost	2,212.73	2,035.95
Loan / (Gain) on settlement	-	-
Net Interest Cost	659.33	560.07
<b>Benefit Cost (Expense Recognised In Statement of Profit/Loss)</b>	<b>2,872.06</b>	<b>2,596.02</b>





# **KANAK PROJECTS LIMITED**

**Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022**

## **b. Other Comprehensive Income**

(Amount in Rs.Hundreds)

PARTICULARS	31st March,2022	31st March,2021
Actuarial gain/Loss on Obligation due to :		
- change in demographic assumptions	-	-
- change in financial assumptions	66.06	65.66
- experience variance ( i.e. Actual experience vs assumptions )	2,256.13	1,080.84
- others	-	-
Return/loss on plan assets excluding amounts included in interest income	(201.08)	(235.59)
<b>Components Of defined Benefit Cost Recognised In Other Comprehensive Income</b>	<b>2,121.11</b>	<b>910.91</b>

(Amount in Rs.Hundreds)

## **c. Change in Present Value of Defined benefit obligation:**

PARTICULARS	31st March,2022	31st March,2021
Present Value of DBO at beginning of period	28,787.02	26,561.73
Current Service cost	2,212.73	2,035.95
Interest Cost	1,799.19	1,673.39
Curtailment Cost/(credit)	-	-
Settlement cost/(credit)	-	-
Employee contribution	-	-
Past Service Cost	-	-
Acquisitions	-	-
Re-measurement (or Actuarial (gains)/Losses) Arising from		
-change in demographic assumption	-	-
-change in financial assumptions	66.06	65.66
-experience variance (i.e. Actual experience vs assumptions)	2,256.13	1,080.84
-others	-	-
Benefits paid	-	(2,630.55)
<b>Present Value of DBO at end of period</b>	<b>35,121.13</b>	<b>28,787.02</b>

## **d. Changes in Fair Value of Plan Assets**

(Amount in Rs.Hundreds)

PARTICULARS	31st March,2022	31st March,2021
Plan assets at beginning of period	18,237.76	17,671.70
Investment Income	1,139.86	1,113.32
Return on Plan Assets, Excluding amount recognised in Net Interest Expenses	201.08	235.59
Actual Company Contributions	326.89	1,847.70
Fund Transferred	-	-
Employee contributions	-	-
Benefits paid	-	(2,630.55)
<b>Plan assets at end of period</b>	<b>19,905.59</b>	<b>18,237.76</b>

## **e. Net asset/(liability) recognised in balancesheet**

(Amount in Rs.Hundreds)

PARTICULARS	31st March,2022	31st March,2021
<b>Funded Status</b>		
Present value of Defined Benefit Obligation	35,121.13	28,787.02
Fair Value of plan assets	19,905.59	18,237.76
Funded Status [surplus/Deficit]	(15,215.54)	(10,549.26)
Effect of balancesheet asset limit	-	-
Unrecognised past service cost	-	(10,549.26)
<b>Net asset/(liability) recognised in balancesheet</b>		
Net asset/(liability) recognised in balancesheet at the beginning of period	(10,549.26)	(8,890.03)
Expenses recognised in Income Statement	2,872.06	2,596.02
Expenses recognised in Other Comprehensive Income	2,121.11	910.91
Employer Contribution	326.89	1,847.70
Net Acquisition / Business contributions	-	-
<b>Net asset/(liability) recognised in balance sheet at the end of period</b>	<b>(15,215.54)</b>	<b>(10,549.26)</b>

**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****f. Major Categories of plan Assets as % of Total Plan Assets**

PARTICULARS	31st March,2022	31st March,2021
Fund Managed by Insurer	100%	100%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

**g. Maturity Profile of Defined Benefit Obligation***(Amount in Rs.Hundreds)*

Expected Cash flow (valued on undiscounted basis)	31st March,2022	31st March,2021
	Indian Rupees (INR)	Indian Rupees (INR)
1 years	17,409.41	10,591.62
Between 2 to 5 years	8,300.86	10,192.65
Between 6 to 10 years	9,014.55	8,805.74
More Than 10 Years	11,995.93	11,194.10
The average duration of the defined benefit plan obligation at the end of balancesheet date (in years)	4 years	5 years

**h. Sensitivity Analysis***(Amount in Rs.Hundreds)*

PARTICULARS	31 March, 2022		31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+1%)	33,862.85	36,518.99	27,538.84	30,179.02
% Change Compared To Base due to Sensitivity	-3.58%	3.98%	-4.340%	4.840%
Salary Growth(-/+1%)	36,554.60	33,808.37	30,216.41	27,482.88
% Change Compared To Base due to Sensitivity	4.08%	-3.74%	4.970%	-4.530%
Attrition Rate (-/+ 50%)	35,140.93	35,098.98	28,811.48	28,759.53
% Change Compared To Base due to Sensitivity	0.06%	-0.06%	0.080%	-0.100%
Mortality Rate (-/+10%)	35,125.79	35,116.33	28,792.44	28,781.43
% Change Compared To Base due to Sensitivity	0.01%	-0.01%	0.020%	-0.020%

**(ii) Details of unfunded post retirement defined benefit obligation are as follows:***(Amount in Rs.Hundreds)***a. Division of Defined Benefit Obligation (Current / Non- current) at the end of the period**

PARTICULARS	31st March,2022	31st March,2021
Current define benefit obligation	17,409.41	10,591.62
Non-current define benefit obligation	17,711.72	18,195.40
<b>Total defined benefit obligation</b>	<b>35,121.13</b>	<b>28,787.02</b>
<b>b. Best Estimate Of Contribution During Next Year</b>	<b>17,443.85</b>	<b>12,573.95</b>



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****FINANCIAL INSTRUMENTS- ACCOUNTING, CLASSIFICATION AND FAIR VALUE MEASUREMENTS****38 Financial Instruments by category**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Amount in Rs.Hundreds)

31st March, 2022							
SI No.	PARTICULARS	Refer Note No	Total Fair Value	Carrying value			Total
				FVTPL	FVTOCI	Amortized cost	
1	Financial Assets						
(a)	Investments *	5	57,51,394.61	26,69,647.57	17,93,677.49	12,80,069.56	57,43,394.62
(b)	Trade and other Receivables	10	3,29,676.44	-	-	3,29,676.44	3,29,676.44
(c)	Cash and Cash Equivalents	11	67,709.93	-	-	67,709.93	67,709.93
(d)	Bank Balances other than Cash and Cash Equivalents	12	10,59,288.71	-	-	10,59,288.71	10,59,288.71
(e)	Loans	6	14,76,978.05	-	-	14,76,978.05	14,76,978.05
(f)	Other financial assets	7	8,86,825.66	-	-	8,86,825.66	8,86,825.66
	Total		95,71,873.40	26,69,647.57	17,93,677.49	51,00,548.35	95,63,873.41
2	Financial Liabilities						
(a)	Borrowings	17 & 21	18,393.36	-	-	18,393.36	18,393.36
(b)	Trade and other Payables	22	49,355.61	-	-	49,355.61	49,355.61
(c)	Other Financial Liabilities	18 & 23	2,09,213.09	-	-	2,09,213.09	2,09,213.09
	Total		2,76,962.05	-	-	2,76,962.05	2,76,962.05

\* Excludes investments measured at cost .

(Amount in Rs.Hundreds)

31st March, 2021							
SI No.	PARTICULARS	Refer Note No	Total Fair Value	Carrying value			Total
				FVTPL	FVTOCI	Amortized cost	
1	Financial Assets						
(a)	Investments *	5	39,34,631.61	8,19,100.29	13,08,109.39	17,99,421.94	39,26,631.61
(b)	Trade and other Receivables	10	3,19,053.06	-	-	3,19,053.06	3,19,050.36
(c)	Cash and Cash Equivalents	11	6,16,164.81	-	-	6,16,164.81	6,16,164.81
(d)	Bank Balances other than Cash and Cash Equivalents	12	30,50,968.72	-	-	30,50,968.72	30,50,968.72
(e)	Loans	6	14,15,416.41	-	-	14,15,416.41	14,15,416.41
(f)	Other financial assets	7	3,89,551.57	-	-	3,89,551.57	3,89,551.57
	Total		97,25,786.18	8,19,100.29	13,08,109.39	75,90,576.51	97,17,783.48
2	Financial Liabilities						
(a)	Borrowings	17 & 21	2,69,030.80	-	-	2,69,030.80	2,69,030.80
(b)	Trade and other Payables	22	42,430.35	-	-	42,430.35	42,430.35
(c)	Other Financial Liabilities	18 & 23	1,99,552.38	-	-	1,99,552.38	1,99,552.38
	Total		5,11,013.53	-	-	5,11,013.53	5,11,013.53

\* Excludes investments measured at cost .

**39 Disclosure in respect of Contingent Liability and Capital Commitment:**

(Amount in Rs.Hundreds)

**(a) Contingent Liability(to the extent not provided for)**

PARTICULARS	Current Year (2021-2022)	Previous Year (2020-2021)
i) Capital Commitment (Net of Advance paid )	20,500.00	-

**(b) Income Tax**

- Assessment Year 2013-2014 , the company has filed an appeal with C.I.T. (Appeal) against a demand of ₹15,849.20 (Net of Paid under protest of ₹ 5,000.00 /-)
- Assessment Year 2017-2018 , the company has filed an appeal with C.I.T. (Appeal) against an Income Tax Order of ₹33,744.18 (Net of Paid under protest of ₹ 8,436.05 /-)

**(c) Municipal Tax**

The Company has preferred an appeal before the Hon'ble Calcutta High Court against the Order of Kolkata Municipal Corporation in respect of retrospective revision of Annual Valuation of the Property and raised a demand of ₹40,43,005.61/- against which the Company has paid ₹9,12,159.36/- . However, the said proceeding are still pending before the Hon'ble Calcutta High Court. The Company expects no material liability towards the same.





**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****40 Financial risk management objectives and policies**

The Company's principal financial liabilities includes Borrowings, Trade payable and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Securities, Trade receivables, Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future cost of borrowings. The interest rate risk is managed by the Company by monitoring monthly cash flows which is reviewed by management to prevent loss of interest.

The following table demonstrates the borrowings of the Company:

*(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Vehicle Loan	18,393.36	24,567.51
Working Capital Loan	-	2,44,463.29
<b>Total</b>	<b>18,393.36</b>	<b>2,69,030.80</b>

**Sensitivity Analysis :**

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of borrowings affected. With all other variables remaining constant, the company's profit before tax and equity before tax is affected, as follows:

*(Amount in Rs.Hundreds)*

PARTICULARS	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Pre tax Equity
As at 31st March, 2022	+ 0.5%	(870.99)	(870.99)
	- 0.5%	870.99	870.99
As at 31st March, 2021	+ 0.5%	(1,365.00)	(1,365.00)
	- 0.5%	1,365.00	1,365.00

**(ii) Price risk**

The Company's exposure to securities price risk arises from investments held - both quoted, mutual fund and bonds and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. The Company is not expecting high risk exposure from its investment in securities.

The table below sets forth the fair value of quoted investments in securities of listed companies and mutual funds :

*(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Investments in Quoted Equity Shares (at FVTOCI)	79,146.40	76,344.77
Investments in Mutual Funds (at FVTPL)	26,69,647.57	8,19,100.29
Investments in Bonds (at FVTOCI)	4,18,980.00	-
<b>TOTAL</b>	<b>31,67,773.96</b>	<b>8,95,444.56</b>

**KANAK PROJECTS LIMITED**

### Sensitivity Analysis :

The impact of increases/decreases of the index on the Company's quoted equity in Company's equity investments and mutual funds moved as per the market index.

PARTICULARS		Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Other Comprehensive Income	Effect on Pre tax Equity
As at		5.00%	1,33,482.38	24,906.32	1,58,388.70
31st March, 2022		-5.00%	(1,33,482.38)	(24,906.32)	(1,58,388.70)
As at		5.00%	40,955.01	3,817.24	44,772.25
31st March, 2021		-5.00%	(40,955.01)	(3,817.24)	(44,772.25)

(b) Credit risk

Credit risk arises from the possibility that the counterparty may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant change in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.

(i) *Trade Receivables*

The Company extends credit to customers in the normal course of business. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major customers.

Outstanding for following periods from due date of payment								
Particulars	Unbilled dues	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>i. Undisputed Trade receivables</b>								
Considered good	-	-	3,14,343.72	2,811.56	2,894.88	1,424.26	1,467.87	3,22,942.28
	-	-	(3,13,224.77)	(1,655.81)	(2,162.03)	(674.88)	(82.60)	(3,17,800.08)
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>ii. Disputed Trade Receivables</b>								
Considered good	-	-	-	-	-	-	6,734.16	6,734.16
	-	-	-	-	-	-	(6,734.16)	(6,734.16)
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	27,042.78	27,042.78
	-	-	-	-	-	-	(27,042.78)	(27,042.78)
<b>Less:- Provision for doubtful debts</b>	-	-	-	-	-	-	(27,042.78)	(27,042.78)
	-	-	-	-	-	-	(27,042.78)	(27,042.78)
<b>Total</b>	-	-	3,14,343.72	2,811.56	2,894.88	1,424.26	8,202.03	3,29,676.44

**Note:** Figures in brackets indicate Trade Receivable ageing analysis of corresponding previous year

(iii) *Deposits with banks and other financial instruments*

The Company considers factors such as track record, market reputation and service standards to select banks with which the Company has also availed deposits with some of the other financial institutions.

**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****(c) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and working capital limits.

Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on the balance sheet date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. The maturity profile of the Company's financial liabilities based on the remaining period from the date of the balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

The table below summarises the maturity profile of the Company's financial liabilities :

PARTICULARS	(Amount in Rs.Hundreds)		
	As at 31st March, 2022		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	18,393.36	-	-
ii. Other financial liabilities	-	63,399.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>18,393.36</b>	<b>63,399.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	6,679.95	-	-
ii. Trade payables	49,355.61	-	-
iii. Other financial liabilities	31,588.65	-	-
<b>Total current liabilities</b>	<b>87,624.21</b>	<b>-</b>	<b>-</b>

PARTICULARS	(Amount in Rs.Hundreds)		
	As at 31st March, 2021		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	24,567.51	-	-
ii. Other financial liabilities	-	58,539.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>24,567.51</b>	<b>58,539.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	2,50,637.44	-	-
ii. Trade payables	42,430.35	-	-
iii. Other financial liabilities	36,860.68	-	-
<b>Total current liabilities</b>	<b>3,29,928.47</b>	<b>-</b>	<b>-</b>



# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

### 41 Capital Management

#### Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders. The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2022 and 31st March, 2021.

(Amount in Rs.Hundreds)

### 42 Expenditure on Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility activities, included in Donation & Charity under Other Expenses in Statement of Profit and Loss is Rs. 25,000.00 (31st March, 2021 : Rs. 21,000.00).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended 31st March, 2022 is Rs. 20,605.83 (31st March, 2021 : Rs. 20,540.03) i.e 2% of average net profits for the last three financial years, calculated as per Section 198 of the Companies Act, 2013. However the company has spent Rs. 25,000.00 during the financial year 2021-22.

Particulars	2021-22	2021-22
Amount required to be spent by the company during the year	20,604.83	20,540.29
Amount spent during the year	25,000.00	21,000.00
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Contribution to a Trust controlled by the company	-	-
The nature of CSR activities undertaken by the Company	Support to Eye Hospital	Support to Eye Hospital

Note: The Company has not made any provision with respect to any liability incurred by entering into a contractual obligation. Hence, movement in provision is not required.

### 43 Leases

#### (i) Operating Lease Granted by the Company

The Company has recognised ₹5,88,932 [Previous Year: ₹5,42,710] towards minimum lease receipt in the Statement of Profit and Loss.

The Company's significant leasing arrangements are in respect of operating leases for Premises. Lease income from operating leases is recognized on a systematic basis over the period of lease. The future minimum lease receivables as per lease agreement are as under:

PARTICULARS	(Amount in Rs.Hundreds)	
	As at March 31, 2022 (')	As at March 31, 2021 (')
Future Lease Income		
Within One Year	5,79,272.22	6,05,829.88
Later than one year and not later than five years	19,55,319.74	24,30,459.58
Later than five years	13,31,325.48	13,31,396.49
Total Future Lease Income	38,65,917.44	43,67,685.95

The Fair Value of the Investment Properties are ₹ 1,16,51,770.00 (in Hundreds). The fair value of the investment properties is based on the Valuation by Registered Valuer as defined under Rule 2 of Companies (Registered Valuer and Valuation) Rules 2017. The Rental Income from the Investment Property as required to be disclosed as per Ind AS 40 "Investment Property" is Rs 6,08,228.86/- (in Hundreds) and the direct operating expenses are Rs 4,78,528.63/- (in Hundreds).



# KANAK PROJECTS LIMITED

## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

45 There is no amount due to be credited to the Investor's Education and Protection Fund as on 31st March, 2022.

### 46 Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows :

Particulars	Numerator	Denominator	As at March 31,		Variance	Remark
			2022	2021		
Current Ratio	Current Assets	Current Liabilities	5.2146	12.1870	-57.21%	Decrease in Current Assets
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.0016	0.0251	-93.49%	Working Capital Facilities have not been withdrawn
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	15.1581	15.9041	-4.69%	
Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.0437	0.0877	-50.21%	Decrease in Profit after Tax
Inventory Turnover Ratio	Cost of goods sold OR sales	Average inventory = (Opening + Closing balance / 2)	2.6382	6.8057	-61.23%	Decrease in Revenue from Traded Goods
Trade Receivables Turnover Ratio	Net Credit Sales=Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables (including unbilled revenue)	Average trade debtors = (Opening + Closing balance / 2)	2.1196	5.7406	-63.08%	Decrease in Revenue from Traded Goods
Trade Payable Turnover Ratio	Net Credit Purchase = Net credit purchases consist of gross credit purchases minus purchase return	Average trade payable = (Opening + Closing balance / 2)	13.3485	52.7259	-74.68%	Decrease in Purchase
Net Capital Turnover Ratio	Net Sales=Net sales shall be calculated as total sales minus sales returns.	Working Capital = Working capital shall be calculated as current assets minus current liabilities.	0.8091	0.5686	42.28%	Decrease in Revenue from Operation
Net Profit Ratio	Net profit after tax	Net Sales = Net sales shall be calculated as total sales minus sales returns.	0.2901	0.3255	-10.87%	
Return on Capital Employed	Earning before interest and taxes	Capital Employed = Tangible NetWorth + Total Debt + Deferred Tax Liability	0.0510	0.1119	-54.45%	Decrease in Revenue from Operation
Return on Investment	(Closing Balance-Opening Balance)÷Dividend	Opening Balance	0.1575	0.4925	-68.03%	Decrease in Return



## Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

## The ageing analysis of the Trade Payables



**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****NOTE 48: Information about Operating Segment for the Current Year 2021-22 (IND AS - 108)**

Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment transfers. Inter segment transfers are accounted for based on the transaction price agreed to between the segments.

Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable".

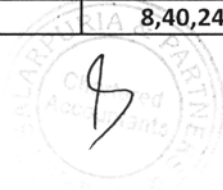
(Amount in Rs.Hundreds)

PARTICULARS	Rental Income	Billets Sale	Unallocated	Total (₹)
<b>REVENUE</b>				
Revenue	6,16,960.36	6,87,509.31	3,50,445.06	16,54,914.73
Other Income	57,570.24	-	6,61,910.83	7,19,481.07
<b>Total Revenue</b>	<b>6,74,530.60</b>	<b>6,87,509.31</b>	<b>10,12,355.89</b>	<b>23,74,395.80</b>
<b>RESULTS</b>				
<b>Segment Result</b>	31,910.62	(24,590.17)	5,84,979.11	5,92,299.56
Finance Cost				19,152.73
<b>Profit Before Tax</b>				5,73,146.84
Current Tax				1,39,497.50
Deferred Tax				(28,722.71)
Income Tax for Earlier Year				(17,740.98)
<b>Profit After Tax</b>				4,80,113.03
<b>Other Information</b>				
Segment Assets	13,62,582.57	3,40,704.55	1,03,89,812.63	1,20,93,099.75
<b>Total Asset</b>				1,20,93,099.75
Segment Liabilities	7,19,259.14	-	1,08,635.21	8,27,894.35
<b>Total Liabilities</b>				8,27,894.35

**Information about Operating Segment for the Previous Year 2020-21:**

(Amount in Rs.Hundreds)

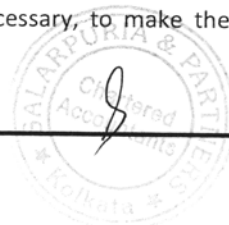
PARTICULARS	Rental Income	Billets Sale	Unallocated	Total (₹)
<b>REVENUE</b>				
Revenue	5,80,138.71	10,02,695.21	11,58,779.46	27,41,613.38
Other Income	2,13,672.66	-	9,45,693.52	11,59,366.18
<b>Total Revenue</b>	<b>7,93,811.37</b>	<b>10,02,695.21</b>	<b>21,04,472.99</b>	<b>39,00,979.56</b>
<b>RESULTS</b>				
<b>Segment Result</b>	5,65,980.52	(24,137.66)	7,18,068.48	12,59,911.34
Finance Cost				67,461.49
<b>Profit Before Tax</b>				11,92,449.85
Current Tax				2,92,473.50
Deferred Tax				7,632.87
Income Tax for Earlier Year				-
<b>Profit After Tax</b>				8,92,343.48
<b>Other Information</b>				
Segment Assets	10,71,515.23	3,54,209.99	1,01,33,657.52	1,15,59,382.73
<b>Total Asset</b>				1,15,59,382.73
Segment Liabilities	4,49,866.25	-	3,90,378.84	8,40,245.09
<b>Total Liabilities</b>				8,40,245.09



## KANAK PROJECTS LIMITED

### Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022

- 49 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules.
- 50 The Company does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ending 31st March, 2022 and also for the period ending 31st March, 2021.
- 51 The Company has not been declared wilful defaulter by any bank, financial institution or any other entity.
- 52 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period, for the current and previous year.
- 53 The Company has complied with number of layers as prescribed under clause-87 of section 2 of the Companies Act, 2013 read with Companies Rule, 2017.
- 54 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 55 The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year .
- 56 Utilisation Of Borrowed Funds and Share Premium**
- A) The Company has not advanced, loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall-
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)
  - ii) provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.
- So, required disclosure with respect to the above is not applicable.
- B) The Company has not received any fund from any person(s) or entity(ies) including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)
  - ii) provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries.
- So, required disclosure with respect to the above is not applicable.
- 57 The Company has not taken any funds from any entity or person on account of or to meet the obligations of its
- 58 Estimation uncertainty relating to the global health pandemic on COVID-19-The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property plant and equipment, receivables, intangible assets, cash and cash equivalent and investments. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.
- 59 Previous year/period figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.





**SALARPURIA & PARTNERS**

**7, Chittaranjan Avenue**

**Kolkata 700 072**

**Phone No.2237 5400/01**

**Fax No. : 2225 0992**

**E-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)**

# ***KANAK PROJECTS LIMITED***

**BALANCE SHEET AND STATEMENT OF PROFIT & LOSS AND  
CASHFLOW STATEMENT FOR THE YEAR ENDED 31.03.2022**



# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072  
Phone : 2237 5400 / 5401, 4014 5400 - 5410  
website : [www.salarpuriajajodia.com](http://www.salarpuriajajodia.com)  
e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)  
[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)  
Branches at New Delhi & Bangalore

## INDEPENDENT AUDITOR'S REPORT

To The Members of KANAK PROJECTS LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **KANAK PROJECTS LIMITED (hereinafter referred to as the "Holding Company")**, and its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2022, the consolidated statement of Profit and Loss, consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the holding company and its associate as at March 31, 2022, and their consolidated **Profit** (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Holding Company and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS Financial Statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.





# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072  
Phone : 2237 5400 / 5401, 4014 5400 - 5410  
website : [www.salarpuriajajodia.com](http://www.salarpuriajajodia.com)  
e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)  
[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)  
Branches at New Delhi & Bangalore

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## ***Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statement.***

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated financial performance and consolidated cash flows of the Holding Company and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard specified under Section 133 of the Act. The respective Board of Directors of the Holding Company and in its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and its associate for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Holding Company and its associate are responsible for assessing the ability of the Holding Company and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Holding Company and its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and its associate are responsible for overseeing the financial reporting process of the Holding Company and its associate.

## ***Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements***

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 decision of users taken on the basis of these Consolidated Ind AS Financial Statements.

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





# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

website : [www.salarpuriajajodia.com](http://www.salarpuriajajodia.com)

e-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)

[office@salarpuriajajodia.com](mailto:office@salarpuriajajodia.com)

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- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associate 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 Consolidated Ind AS 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 Holding Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its associate to express an opinion on the consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS Financial Statements of such entities included in the consolidated Ind AS Financial Statement of which we are independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are independent auditors 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.





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## ***Others Matters***

- (a) The consolidated financial statements also include the company's share of net Loss of Rs.27,681/- for the year ended 31<sup>st</sup> March, 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.(Figures in Hundred)

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

## ***Report on Other Legal and Regulatory Requirements***

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statement have been kept so far as it appears from our examination of those books and reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its associate company, none of the directors of the Holding Company and its





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associate is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associate [Refer Note 39 to the Consolidated Financial Statements].

(ii) The Holding Company and its associate 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 Holding Company, and its associate companies.

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

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





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- (iv) (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has neither declared nor paid any dividend during the financial year. Hence, compliance in accordance with Section 123 of the Companies Act, 2013 is not applicable.

**For SALARPURIA AND PARTNERS**  
Chartered Accountants  
(Firm ICAI Reg. No. 302113E)

Sarvesh Kumar Singh

Chartered Accountant  
Membership No.-069367  
Partner



UDIN: 22069367ANSAHH7824

Place : Kolkata

Date : 30.05.2022





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## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial control over financial reporting of **KANAK PROJECTS LIMITED** (hereinafter referred to as the "Holding Company") and its associate Companies, which are incorporated in India as on that date.

#### *Management's Responsibility for Internal Financial Controls*

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.







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## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, the Holding Company and its associate Company, which is incorporated in India, have, 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 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **Other Matter**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate company, which is a Company incorporated in India, is based on the corresponding reports of the auditor of such Company, incorporated in India.

## **For SALARPURIA AND PARTNERS**

Chartered Accountants

(Firm ICAI Reg. No. 302113E)

Sarvesh Kumar Singh

*Singh.*  
Chartered Accountant  
Membership No.-069367  
Partner

UDIN: 22069367ANSAHH7824

Place: Kolkata

Date: 30.05.2022



**KANAK PROJECTS LIMITED****CIN : L67020WB1979PLC031867****Consolidated Balance Sheet as at 31st March, 2022**

(Amount in Rs. Hundreds)

PARTICULARS		Notes	As At	As At
ASSETS			31st March, 2022	31st March, 2021
			(₹)	(₹)
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	1,22,290.90	1,51,810.99
	(b) Investment Property	4	13,01,426.69	9,98,205.23
	(c) Financial assets			
	i. Investments	5	60,34,370.70	42,45,289.12
	ii. Loans	6	10,13,221.87	10,13,221.87
	iii. Other financial assets	7	7,29,347.04	18,951.07
	(d) Other non-current assets	8	6,44,587.72	1,90,087.72
	<b>Total non-current assets</b>		<b>98,45,244.92</b>	<b>66,17,566.00</b>
(2)	<b>Current assets</b>			
	(a) Inventories	9	3,40,694.36	4,46,163.84
	(b) Financial assets			
	i. Trade Receivables	10	3,29,676.44	3,19,053.06
	ii. Cash and Cash Equivalents	11	67,709.93	6,16,164.81
	iii. Bank Balances other than Cash & Cash Equivalents	12	10,59,288.71	30,50,968.72
	iv. Loans	6	4,63,756.18	3,83,473.47
	v. Other financial assets	7	1,57,478.63	3,89,321.57
	(c) Current Tax Asset (net)	13	1,04,181.62	-
	(d) Other current assets	14	8,045.05	47,328.75
	<b>Total current assets</b>		<b>25,30,830.92</b>	<b>52,52,474.23</b>
<b>Total assets (1+2)</b>			<b>1,23,76,075.85</b>	<b>1,18,70,040.23</b>

PARTICULARS		Notes	As At	As At
EQUITY AND LIABILITIES			31st March, 2022	31st March, 2021
			(₹)	(₹)
(A)	<b>EQUITY</b>			
	(a) Equity share capital	15	4,45,240.00	4,45,240.00
	(b) Other equity	16	1,11,02,941.54	1,05,84,555.13
	<b>Total equity</b>		<b>1,15,48,181.54</b>	<b>1,10,29,795.13</b>
(B)	<b>LIABILITIES</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	i. Borrowing	17	11,713.41	18,393.36
	ii. Other financial liabilities	18	1,92,839.98	1,73,240.96
	(b) Deferred Tax Liabilities (Net)	19	28,801.27	51,814.54
	(c) Other Non- Current liabilities	20	1,09,208.54	1,65,807.76
	<b>Total non-current liabilities</b>		<b>3,42,563.18</b>	<b>4,09,256.61</b>
(2)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	i. Borrowings	21	6,679.95	2,50,637.44
	ii. Trade Payables:-			
	(A) total outstanding dues of micro enterprises and small enterprises; and		9,080.43	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	22	49,355.61	42,430.35
	iii. Other financial liabilities	23	16,373.11	26,311.42
	(b) Current Tax Liability (net)	13	-	19,775.71
	(c) Other current liabilities	24	35,408.13	34,941.07
	(d) Provisions	25	3,68,433.94	56,892.50
	<b>Total current liabilities</b>		<b>4,85,331.17</b>	<b>4,30,988.48</b>
	<b>Total liabilities (1+2)</b>		<b>8,27,894.35</b>	<b>8,40,245.10</b>
<b>Total equity and liabilities (A+B)</b>			<b>1,23,76,075.85</b>	<b>1,18,70,040.23</b>

Significant Accounting Policies and Other Notes

The accompanying Notes are integral part of the Financial Statement

As per our separate report of even date attached.

For and on behalf of the Board of Directors

For SALARPURIA &amp; PARTNERS

Chartered Accountants

Firm Reg. No.302113E

Sarvesh Kumar Singh  
Partner

Membership No : 069367

Place : Kolkata

Date : 30.05.2022

Sudhir Prakash  
(Managing Director)  
DIN-00434020Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTP51391MAnshuman Prakash  
(Director)  
DIN-00434909Ginni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C

**KANAK PROJECTS LIMITED****CIN : L67020WB1979PLC031867****Statement of Consolidated Profit & Loss for the year ended 31st March, 2022**

(Amount in Rs.Hundreds)

PARTICULARS		Notes	Year ended 31st March, 2022 (₹)	Year ended 31st March, 2021 (₹)
I.	Revenue			
	Revenue from Operations	26	16,54,914.73	27,41,613.38
	Other Income	27	7,19,481.07	11,59,366.18
	<b>Total Income (I)</b>		<b>23,74,395.80</b>	<b>39,00,979.56</b>
II.	Expenses			
	Purchases of Stock-in-Trade	28	7,80,035.50	22,37,179.80
	Changes in Inventories of Finished Goods and Stock-in-Trade	29	1,05,469.48	(2,57,127.97)
	Employee Benefit Expense	30	1,94,594.43	1,58,898.84
	Finance Costs	31	19,152.73	67,461.49
	Depreciation and Amortisation Expense	32	75,335.35	58,290.51
	Other Expenses	33	6,26,661.47	4,43,827.05
	<b>Total Expenses (II)</b>		<b>18,01,248.96</b>	<b>27,08,529.68</b>
III.	<b>Profit/(loss) before tax (I-II)</b>		<b>5,73,146.84</b>	<b>11,92,449.88</b>
IV.	<b>Share of Profit/(Loss) from Associates (net of tax)</b>		<b>(27,681.39)</b>	<b>(36,771.15)</b>
V.	<b>Profit/(loss) before tax (I-II)</b>		<b>5,45,465.45</b>	<b>11,55,678.73</b>
VI.	Income tax expense			
	- Current tax		1,39,497.50	2,92,473.50
	- Deferred tax		(28,722.71)	7,632.87
	Income Tax For Earlier Year		(17,740.98)	-
	<b>Total tax expense (IV)</b>		<b>93,033.81</b>	<b>3,00,106.37</b>
VII.	<b>Profit for the year (V-VI)</b>		<b>4,52,431.64</b>	<b>8,55,572.36</b>
VIII.	Other Comprehensive Income			
	A(i) Items that will not be reclassified to Profit or Loss			
	Changes in Fair Value of FVOCI Equity instruments		66,588.10	2,53,482.87
	Remeasurements of post-employment defined benefit obligations		(2,121.11)	(910.91)
	Share of Other Comprehensive Income from Associates		-	-
	A(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		(4,886.08)	(51,201.01)
	B(i) Items that will be reclassified to Profit or Loss			
	Changes in Fair Value of FVOCI Debt Instruments		7,197.20	-
	B(ii) Income Tax relating to items that will be reclassified to Profit or Loss		(823.36)	-
IX.	<b>Total Comprehensive Income for the period (V + VI) (comprising profit (loss) and other comprehensive income for the period)</b>		<b>5,18,386.39</b>	<b>10,56,943.31</b>
X.	Earnings per equity share			
	Basic & Diluted	36	10.16	19.22

**Significant Accounting Policies And Other Notes**

The accompanying Notes are integral part of the Financial Statement

As per our separate report of even date attached.

For and on behalf of the Board of Directors

For SALARPURIA &amp; PARTNERS

Chartered Accountants

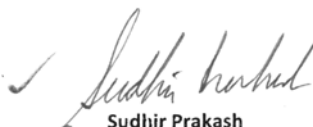
Firm Reg. No.302113E



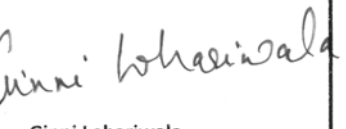
Sarvesh Kumar Singh

Partner

Membership No : 069367


Sudhir Prakash  
(Managing Director)  
DIN-00434020

Anshuman Prakash  
(Director)  
DIN-00434909

Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391M

Ginni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C

Place : Kolkata

Date : 30.05.2022



**KANAK PROJECTS LIMITED****Statement of Consolidated Cash Flow for the year ended 31st March, 2022***(Amount in Rs.Hundreds)*

PARTICULARS	Year ended 31st March, 2022 (₹)	Year ended 31st March, 2021 (₹)
<b>Cash flow from operating activities</b>		
Profit before tax	5,73,146.84	11,92,449.84
<b>Adjustments for</b>		
Depreciation and Amortisation Expenses	75,335.35	58,290.51
Dividend on Investments	(4,144.60)	(2,261.01)
Bad Debt	-	(3,472.00)
(Profit)/Loss on Sale of Mutual Fund	(1,95,676.21)	(4,28,732.13)
(Profit)/Loss from Partnership Firm	-	(4,031.90)
(Profit)/Loss from Sale of Motor Car	-	(8,440.07)
Finance costs	3,474.99	41,298.37
Net Gain on Financial Instruments measured at Fair Value through Profit and Loss	(2,18,345.62)	88,890.66
Interest Received	(1,91,103.76)	(3,87,740.02)
<b>Income from Operating Activities before changes in Operating Assets and Taxes</b>	<b>42,686.99</b>	<b>5,46,252.25</b>
(Increase)/Decrease in Inventories	1,05,469.48	(2,57,127.97)
(Increase)/Decrease in Trade Receivables	(10,623.38)	(2,88,771.38)
(Increase)/Decrease in Loans- Current	(80,282.71)	94,575.68
(Increase)/Decrease in Other Financial Assets- Current	2,31,842.95	(1,10,171.17)
(Increase)/Decrease in Current Assets	39,283.70	(42,076.02)
Increase/(Decrease) in Trade Payables	16,005.69	(5,851.84)
Increase/(Decrease) in Other Financial Liabilities-Current	(9,938.31)	(5,971.24)
Increase/(Decrease) in Other Current Liabilities	3,07,751.56	22,264.61
<b>Cash generated from operations</b>	<b>6,42,195.97</b>	<b>(46,877.08)</b>
Income taxes paid	(2,44,700.90)	(2,30,596.51)
<b>Net cash inflow from operating activities</b>	<b>3,97,495.06</b>	<b>(2,77,473.60)</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment	(12,681.72)	(1,00,557.58)
Sale of Property, Plant and Equipment	-	33,438.07
Purchase of Investment Property	(3,36,355.00)	(2,05,755.00)
Payments for (Purchase)/Sale of Investments (Net)	(13,29,703.34)	14,63,833.40
Interest Received	1,91,103.76	3,87,740.02
Dividend Received	4,144.60	2,261.01
Fixed Deposits	6,18,730.08	1,24,967.41
Loan Given	-	2,32,405.27
Advance Given	(4,54,500.00)	-
Repayment of Advance Given	-	1,88,500.00
<b>Net cash outflow from investing activities</b>	<b>(13,19,261.62)</b>	<b>21,26,832.60</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,474.99)	(41,298.37)
Loan/ Advance Taken	(6,679.95)	18,393.36
Loan/ Advance Paid	(38,650.02)	(23,573.23)
(Repayment)/ Acceptance of Security Deposit (Net)	4,859.99	(14,07,237.06)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(43,944.97)</b>	<b>(14,53,715.30)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(9,65,711.52)</b>	<b>3,95,643.71</b>
Cash and cash equivalents at the beginning of the financial year	10,33,421.45	6,37,777.75
<b>Cash and cash equivalents at end of the year</b>	<b>67,709.93</b>	<b>10,33,421.45</b>



**KANAK PROJECTS LIMITED****Statement of Consolidated Cash Flow for the year ended 31st March, 2022**

PARTICULARS	As At 31st March, 2022 (₹)	As At 31st March, 2021 (₹)
Balances with banks		
- On Current Accounts	42,712.36	5,94,135.37
- On Bank Overdraft	-	(2,44,463.29)
- On Fixed Deposits having maturity of less than 3 months	-	-
- On Fixed Deposits pledged against Bank Overdraft	-	6,61,719.93
Cheques on hand	22,723.57	12,054.93
Cash on hand	2,274.00	9,974.51
<b>Balances as per statement of cash flows</b>	<b>67,709.93</b>	<b>10,33,421.45</b>

**Note :**

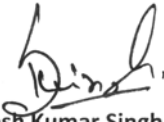
- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as prescribed under Indian Accounting Standard 7 (Ind AS 7) notified in Section 133 of the Companies Act, 2013.
- (ii) Previous year's figures have been regrouped/ recasted wherever necessary.

As per our separate report of even date attached hereto.

For **SALARPURIA & PARTNERS**

Chartered Accountants


Firm Reg. No.302113E

  
Sarvesh Kumar Singh  
Partner

Membership No : 069367

For and on behalf of the Board of Directors

  
Sudhir Prakash  
(Managing Director)  
DIN-00434020

  
Anshuman Prakash  
(Director)  
DIN-00434909

Place : Kolkata

Date : 30.05.2022

  
Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391M

  
Ginni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C



## KANAK PROJECTS LIMITED

CIN : L67020WB1979PLC031867

## Statement of Consolidated Changes in Equity for the period ended 31st March, 2022

A. Equity share capital (Refer Note No 15)

(Amount in Rs. Hundreds)

PARTICULARS	As At 31st March, 2022				As At 31st March, 2021		
	Balance at the beginning of the reporting period	Changes in Equity Share Capital due to Prior Period Errors	Restated Balance at the beginning of the Year	Changes during the year	Balance at the end of the reporting period	Restated Balance at the beginning of the Year	Changes during the year
Number of Shares	44,52,400.00	-	44,52,400.00	-	44,52,400.00	44,52,400.00	-
Equity Share Capital	4,45,240.00	-	4,45,240.00	-	4,45,240.00	4,45,240.00	-
Total	4,45,240.00	-	4,45,240.00	-	4,45,240.00	4,45,240.00	-

B. Other Equity (Refer Note No 16)

(Amount in Rs. Hundreds)

PARTICULARS	RESERVES & SURPLUS			OTHER COMPREHENSIVE INCOME		TOTAL OTHER EQUITY
	General Reserve	Retained Earnings	Total	Fair Value Gain/ (Loss) on Equity Instruments	Total	
Balance as at 31st March, 2020	35,59,863.17	58,17,536.93	93,77,400.11	1,22,479.16	1,22,479.16	94,99,879.25
Profit for the year 2020-21	-	8,55,572.36	8,55,572.36	-	-	8,55,572.36
Transfer on Sale of Equity Investment	-	60,307.05	60,307.05	(32,574.46)	(32,574.46)	27,732.59
Other Comprehensive Income for 2020-21	-	(294.03)	(294.03)	2,01,664.98	2,01,664.98	2,01,370.94
Balance as at 31st March, 2021	35,59,863.17	67,33,122.31	1,02,92,985.48	2,91,569.68	2,91,569.68	1,05,84,555.14
Profit for the year 2021-22	-	4,52,431.64	4,52,431.64	-	-	4,52,431.64
Other Comprehensive Income for 2021-22	-	(970.39)	(970.39)	66,925.15	66,925.15	65,954.75
Balance as at 31st March, 2022	35,59,863.17	71,84,583.56	1,07,44,446.73	3,58,494.82	3,58,494.82	1,11,02,941.54

As per our separate report of even date attached hereto.

For SALARPURIA &amp; PARTNERS

Chartered Accountants  
Firm Reg. No.302113E

Sarvesh Kumar Singh  
Partner  
Membership No : 069367

For and on behalf of the Board of Directors


Sudhir Prakash  
(Managing Director)  
DIN-00434020

Anshuman Prakash  
(Director)  
DIN-00434909

Lalita Kanta Samal  
(Chief Financial Officer)  
PAN-AKTPS1391M

Ginni Lohariwala  
(Company Secretary)  
PAN-AJYPL5486C

Place : Kolkata

Date : 30.05.2022



# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022

### CORPORATE INFORMATION

**KANAK PROJECTS LIMITED** bearing CIN - **L67020WB1979PLC031867** is a Public Limited Company, listed in Calcutta Stock Exchange, incorporated in India on February 5, 1979 with the name Sreela Chem Industrial Investment Limited. Further on 21st November 1988, the company amalgamated with Kanak Investments Limited, Semni Valley Investments Private Limited and Kytharam Investments Private Limited and changed its name to Kanak Projects Limited as per the High Court Order. The registered office of the Company is situated at 41, Chowringhee Road, Kanak Building, Kolkata 700071.

The Company is primarily engaged in the business of renting of immovable properties. Its allied business activity also includes investing, acquiring, holding or otherwise dealing in shares, stocks and other securities.

The financial statement for the year ended 31st March, 2022 was approved for issue by the Board of Directors of the company on 30th June, 2022 and subject to adoption by the shareholders in the ensuing Annual General Meeting.

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1 Significant Accounting Policies

##### a) *Statement of Compliance with Ind AS*

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

##### b) *Basis of preparation and presentation*

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

##### c) *Basis of consolidation*

The Company consolidated entity over which the company has significant influence. The Consolidated Financial Statements comprise the financial statements of the Company and profits of its Associates.

Associates are the entities over which the Company has significant influence but not control. Investment in Associates are accounted for using the 'Equity Method of Accounting'. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the acquisition date. The Company's investment in associates includes goodwill/capital reserve identified on acquisition.

##### d) *Historical Cost Convention*

The financial statements have been prepared on the historical cost basis except for certain items which are measured at fair value at the end of each reporting period, as explained below:

- (i) certain financial assets and liabilities that is measured at fair value;
- (ii) defined benefit plans – plan assets measured at fair value;



# **KANAK PROJECTS LIMITED**

## **Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022**

### **e) Operating Cycle**

All assets and liabilities have been classified as current or non - current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained their operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

### **f) 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 ("functional currency"). The financial statements are presented in Indian Rupees(Rs.), which is the functional currency of the Company.

## **2 Revenue Recognition**

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.

Effective April 1, 2018, the Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted Ind AS 115 using cumulative effect method. The impact of adoption of this Standard on the financial statements of the Company is insignificant.

### **a) Rental Income**

Lease rentals are accounted for on accrual basis.

### **b) Interest Income**

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

Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

### **c) Dividend Income**

Dividend income is recognised when the Company's right to receive the dividend is established i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

d) All other income are accounted for on accrual basis.

## **3 Expenses**

All expenses are accounted for on accrual basis.

## **4 Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Historical cost of an asset includes the purchase cost of asset, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

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

### **(a) Depreciation methods, estimated useful lives and residual value**

Freehold Land is not depreciated. Depreciation is calculated using the written down method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful life is taken as per prescribed useful life in Part C of Schedule II to the Companies Act, 2013. The asset's residual values (5%) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).





## KANAK PROJECTS LIMITED

### Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022

#### 5 Investment Property

Investment properties include those portions of land and buildings appurtenant thereto that are held for long-term rental yields and/or for capital appreciation and properties under operating leases, that is held for long-term capital appreciation or for a currently indeterminate use but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties like land are initially recognised at cost and investment property like building is recorded at cost less accumulated depreciation and accumulated impairment losses, if any. These are also subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

#### *Depreciation methods, estimated useful lives and residual value:*

Freehold Land is not depreciated. Depreciation is calculated using the written down method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful life is taken as per prescribed useful life in Part C of Schedule II to the Companies Act, 2013. The asset's residual values (5%) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

#### 6 Inventories

##### **Securities held as stock-in-trade**

- a) Securities acquired with the intention of short-term holding and trading positions are considered as Inventories and shown as current assets.
- b) In respect of securities held as inventories, brokerage and stamp duty are written off as revenue expenditure.
- c) The securities held as inventories under current assets are valued at Fair Value using Ind AS 109 - 'Financial Instruments'.

##### **Building held as stock-in-trade**

- a) Building acquired with the intention of short-term holding ,trading positions and to earn rental income is considered as Inventories and shown as current assets.
- b) The building held as inventories under current assets is valued at Cost.

#### 7 Borrowing Costs

General and specific borrowings costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take substantial period of time to get ready for intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

#### 8 Leases

Effective from 1 April 2019, the Company has applied Ind AS 116, which replaced the existing lease standard, Ind AS 17 Leases and other interpretations.

The Company at the inception of a contract, assesses whether a contract, is or contains a lease. Further such lease is classified as either Financial Lease or Operating Lease:

Financial Lease - Agreements are classified as Financial Leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the Lessee

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease.

##### **a) When the Company is a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Payments received under operating leases are recognized as income in the Statement of Profit and Loss on a Systematic basis over the lease term.



## **KANAK PROJECTS LIMITED**

### **Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022**

#### **b) When the Company is a lessor**

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees where a lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

#### **9 Provisions, Contingent Liabilities and Contingent Assets**

- a) A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

When discounting is used, the increase in the passage of time is recognized as finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

- b) A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

- c) A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

#### **10 Impairment of Assets**

##### **a) Non-financial assets**

Property, plant and equipment, Investment property and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

##### **b) Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

ECL impairment loss allowance is measured at an amount equal to lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income or expense in the Statement of Profit and Loss. This amount is reflected under the head "Other expenses" in the profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



## **KANAK PROJECTS LIMITED**

### **Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022**

#### **11 Taxes**

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in OCI.

##### **a) Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The amendment in Ind AS 12 regarding the Income Tax uncertainty over Income Tax treatments clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

##### **b) Deferred income tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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

#### **12 Earnings per Share**

- a) Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.
- b) Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.
- c) The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



## **KANAK PROJECTS LIMITED**

### **Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022**

#### **13 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

#### **14 Cash Flow Statement**

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

#### **15 Employee Benefits**

##### **a) Short-term employee benefits**

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

##### **b) Defined contribution plans**

The Company makes contributions to defined benefit schemes which are mainly administered through duly constitute Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with the Government and recognised as expense.

Post retirement defined benefits i.e gratuity is funded with LICI and are determined through independent actuarial valuation.

The service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

#### **16 Financial Instruments**

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

##### **(A) Financial Assets**

##### **(i) Initial Recognition & Measurement**

All the financial assets are recognised at Fair Value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, that are not measured at fair value through profit or loss, are added to the fair value on initial recognition.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and other financial instruments.

##### **(ii) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and
- 3) At fair value through profit or loss (FVTPL).

##### **(a) Investment in Preference Shares at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR) Method.



## **KANAK PROJECTS LIMITED**

### **Notes to the Consolidated Financial Statement as at and for the year ended March 31, 2022**

#### **(b) Investment in Debentures at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR) Method.

#### **(c) Investment in Mutual Funds at Fair Value through Profit or Loss (FVTPL)**

The investments held in the liquid funds whether being debt or equity instruments, generate cash flows that represent payments of principal and interest. However, the holder of the liquid fund at its discretion has the option to sell its investments in order to optimise returns. Therefore, the cash flows paid by the fund to the unit holder comprise gains/losses on the instruments held by the fund, in addition to interest and principal cash flows from those instruments.

The business model objective is achieved by both collecting contractual cash flows and selling its financial assets. Therefore the liquid funds are classified as Fair Value through Profit or Loss (FVTPL).

#### **(d) Investment in Equity investments at Fair Value through Other Comprehensive Income (FVTOCI)**

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in associates which are carried at cost. The Company makes such election on an instrument by instrument basis.

All quoted equity instruments are measured at fair value which is determined based on Level-1 inputs that is quoted prices (unadjusted) in active markets and last traded prices.

All unquoted equity instruments are measured at fair value by taking into account the financial statements of such instruments to the extent available to the Company.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Company may transfer the cumulative gain or loss within equity.

#### **(iii) De- Recognition**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

### **(B) Financial Liabilities**

#### **(i) Initial Recognition & Measurement**

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs.

The financial liabilities include security deposits, trade and other payables, loans and borrowings including bank overdrafts, other financial instruments, etc.

#### **(ii) Subsequent measurement**

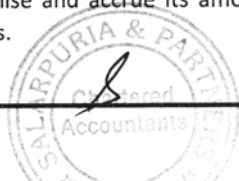
For the purpose of subsequent measurement, Financial liabilities are classified through amortised cost.

##### **Financial Liabilities at amortised cost**

The security deposits are held for collecting the contractual cash flows (i.e. original amount of deposit), which is the principal amount outstanding (the interest being nil), it meets the criteria for measurement at amortised cost using the Effective Interest Rate (EIR) method.

The difference between the fair value of the deposits and the transaction price on initial recognition of the deposit is accounted for separately as "Pre-received income" shown under the head 'Other Financial Liabilities'. The accounting treatment for these will depend upon the nature of the element included in the deposits. Had the entity not placed the deposits with the lessor, the monthly rentals would have been higher. This indicates that the nature of the interest-free element in these deposits represents a pre-received income. Hence, this difference will be recognised as 'Pre-received Income', which will be amortised to the statement of profit and loss over the life of the deposit on a straight line basis.

The deposits would subsequently be measured at amortised cost, which is computed using the Effective Interest Rate (EIR) method. The entity should, over the period of the lease/contract, recognise and accrue its amortised cost of deposits as finance cost calculated at the market rate of interest for such deposits.



## KANAK PROJECTS LIMITED

### Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2022

#### (C) Offsetting of Financial Instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### (D) Fair Value Measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement".

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

#### NOTE 2 : USE OF CRITICAL ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

##### Estimates and assumptions

In the process of applying the Company's accounting policies, management has made the following judgments, which have most significant effect on the amounts recognised in the financial statement.

##### i) Estimation of Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

##### ii) Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined based on the networth of underlying companies.





# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

Note 3: Property, plant and equipment  
Reconciliation of Carrying Amount

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2022
	As at March 31, 2021	Additions during the year	Adjustments/ sales during the year	As at March 31, 2022	As at March 31, 2021	Additions during the year	Adjustments/ sales during the year	As at March 31, 2022	
Tube Well	54.42			54.42	-	-	-	-	54.42
Plant & Machinery	30,481.27	4,238.00		34,719.27	7,390.23	4,893.36		12,283.59	22,435.68
Motor Car	1,14,058.34			1,14,058.34	32,168.08	25,308.64		57,476.72	56,581.62
Air Conditioner	17,464.15	4,125.76		21,589.91	11,113.53	1,359.82		12,473.35	9,116.56
Pump Machine	1,598.49			1,598.49	706.77	227.89		934.66	663.83
Furniture & Fixtures	41,303.73	1,162.30		42,466.03	27,519.52	3,365.82		30,885.34	11,580.69
D.G Set	34,411.81			34,411.81	21,979.97	2,285.27		24,265.24	10,146.57
Electrical Fittings	9,591.91			9,591.91	6,196.51	847.04		7,043.55	2,548.36
Office & Factory Equipments	3,213.93	1,358.00		4,571.93	2,605.18	322.43		2,927.61	1,644.32
Water Tank	60.85			60.85	3.44	-		3.44	57.41
Computer	5,522.81	1,797.66		7,320.47	2,947.15	1,968.17		4,915.32	2,405.15
Fire Protection System	25,179.64			25,179.64	19,252.54	1,489.49		20,742.03	4,437.61
Water Treatment Plant	2,236.57			2,236.57	1,484.01	133.88		1,617.89	618.68
<b>Total</b>	<b>2,85,177.92</b>	<b>12,681.72</b>	<b>-</b>	<b>2,97,859.64</b>	<b>1,33,366.93</b>	<b>42,201.81</b>	<b>-</b>	<b>1,75,568.74</b>	<b>1,22,290.90</b>

Description	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				Carrying Amount (Net) as at March 31, 2021
	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	As at March 31, 2020	Additions during the year	Adjustments/ sales during the year	As at March 31, 2021	
Tube Well	54.42			54.42	-	-	-	-	54.42
Plant & Machinery	16,673.84	9,462.00		26,135.84	3,453.75	3,936.48		7,390.23	18,745.61
Motor Car	55,331.66	83,724.68	24,998.00	1,14,058.34	42,799.06	13,463.92	24,094.90	32,168.08	81,890.26
Air Conditioner	17,464.15			17,464.15	9,745.63	1,367.89		11,113.53	6,350.62
Pump Machine	1,598.49			1,598.49	400.65	306.12		706.77	891.72
Furniture & Fixtures	37,733.05	3,570.68		41,303.73	23,597.34	3,922.18		27,519.52	13,784.21
D.G Set	34,411.81			34,411.81	19,179.38	2,800.59		21,979.97	12,431.84
Electrical Fittings	9,491.61	100.30		9,591.91	4,977.83	1,218.68		6,196.51	3,395.40
Office & Factory Equipments	7,379.36	180.00		7,559.36	2,443.15	162.03		2,605.18	4,954.18
Water Tank	60.85			60.85	3.44	-		3.44	57.41
Computer	2,002.89	3,519.92		5,522.81	1,550.46	1,396.68		2,947.15	2,575.66
Fire Protection System	25,179.64			25,179.64	17,263.10	1,989.44		19,252.54	5,927.10
Water Treatment Plant	2,236.57			2,236.57	1,321.16	162.85		1,484.01	1,752.56
<b>Total</b>	<b>2,09,618.34</b>	<b>1,00,557.58</b>	<b>24,998.00</b>	<b>2,85,177.92</b>	<b>1,26,734.95</b>	<b>30,726.87</b>	<b>24,094.90</b>	<b>1,33,366.93</b>	<b>1,51,810.99</b>

The Company has not Revalued any of its Property, Plant and Equipments during the Financial Year 2021-2022



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 4: Investment Property  
Reconciliation of Carrying Amount***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March,2022	As at 31st March,2021
<b>Freehold Land</b>		
<b>Gross Carrying Amount of Property</b>		
Opening Gross Values	4,50,525.00	2,44,770.00
Additions During the Year		2,05,755.00
Disposals During the Year	-	-
<b>Balance at the end of the Year</b>	<b>4,50,525.00</b>	<b>4,50,525.00</b>
<b>Accumulated Depreciation</b>		
Opening Balance	-	-
Depreciation during the year	-	-
Closing Balance	-	-
<b>Net Carrying Amount</b>	<b>4,50,525.00</b>	<b>4,50,525.00</b>
<b>Building</b>		
<b>Gross Carrying Amount of Property</b>		
Opening Gross Values	6,63,747.70	6,63,747.70
Additions During the Year	3,36,355.00	-
Disposals During the Year	-	-
<b>Balance at the end of the Year</b>	<b>10,00,102.70</b>	<b>6,63,747.70</b>
<b>Accumulated Depreciation</b>		
Opening Balance	1,16,067.47	88,503.83
Depreciation during the year	33,133.54	27,563.64
Closing Balance	1,49,201.01	1,16,067.47
<b>Net Carrying Amount</b>	<b>8,50,901.69</b>	<b>5,47,680.23</b>
<b>Total</b>	<b>13,01,426.69</b>	<b>9,98,205.23</b>





**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 5: Non-Current Investments***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Nos/Units	Amount (₹)	Nos/Units	Amount (₹)
<b>1) Investment in Equity Instruments</b>				
<b>(A) Quoted Shares (Measured at FVTOCI)</b>				
Aditya Birla Capital Ltd.	371	399.38	371	442.60
Aditya Birla Fashion & Retail Ltd.	920	2,779.32	920	1,851.50
Blue Diamond Sec.Ltd.	23,800	238.00	23,800	238.00
Chennai Meenakshi Multispeciality Hospital	1,000	231.50	1,000	97.40
Digjam Limited	40	76.00	40	1.94
DLX Ltd.	9,77,500	56,108.50	9,77,500	56,108.50
Dunlop India Ltd.	100	1.00	100	1.00
El Forge	50	0.50	50	0.50
Gillandars Aribunates Co. Ltd.	24	15.65	24	9.88
GMMCO Limited	15	0.15	15	0.15
Grasim Industries Ltd.	265	4,409.59	265	3,843.95
Great Eastern Shipping Co. Ltd.	25	86.33	25	78.17
Gujrat Heavy Chemicals Ltd.	500	1,737.75	500	1,147.50
Haileyburia T. E. Ltd.	7,195	1,295.10	7,195	1,295.10
Hariyana Petrochemicals Ltd.	500	5.00	500	5.00
Himatsingha Seide Ltd.	800	1,204.00	800	1,158.80
J.K. Cement Limited	49	1,191.34	49	1,419.66
Jalpac India Ltd.	300	3.00	300	3.00
Kakatiya Textiles Ltd.	1,000	111.50	1,000	6.50
KCP Ltd.	250	289.63	250	209.38
KCP Sugar and Industries	250	62.63	250	36.75
Kilkotagiri & Thirumalai Plant Ltd	4	0.04	4	0.04
Mahindra Gesco Developers Ltd.	2	0.02	2	0.02
Manjushree Plantations Ltd.	600	6.00	600	6.00
Mcleod Russel India	1,314	299.57	1,314	250.96
Methoni Tea Co. Ltd.	400	104.00	400	104.00
Midland Rubber & Produce Co. Ltd.	200	2.00	200	2.00
Nelliampathy Tea & Produce Co. Ltd.	100	1.00	100	1.00
Peria Karamalai Tea & Produce Co. Ltd.	328	1,026.64	328	721.28
R.K.Commercial Ltd.	1,08,310	5,415.50	1,08,310	5,415.50
Saurashtra Chemical Ltd.	700	7.00	700	7.00
Sunflag Iron & Steel Co. Ltd.	755	476.03	755	473.01
Unimers India Limited	75	4.50	75	4.25
United Nilgiri Tea Estates Co. Ltd.	450	1,521.23	450	1,341.46
Uniworth India Ltd.	350	3.50	350	3.50
Vikash WSP Ltd.	1,000	33.50	1,000	59.50
<b>Total (A)</b>		<b>79,146.40</b>		<b>76,344.77</b>
<b>(B) Unquoted Shares</b>				
<b>(i) In Associate (Measured at Cost) :</b>				
Lao Jan Tea Co.Pvt. Ltd.	8,000	8,000.00	8,000	8,000.00
Add: Accumulated Share of Profit/(Loss)		3,10,657.48		3,05,385.67
Add: Current Year Profit/(Loss)		(27,681.39)		5,271.81
		2,90,976.09		3,18,657.48
Purbanchal Concast Pvt. Ltd.		-	21,750	2,42,500.00
Add: Accumulated Share of Profit/(Loss)		-		14,235.92
Add: Accumulated Share of Other Comprehensive Income		-		74.46
Add: Current Year Profit/(Loss)		-		(42,042.97)
Add: Current Year Other Comprehensive Income		-		-
Carrying Value of Assets		-		2,14,767.41
Less: sale of Associate		-		(2,14,767.41)
Add: Fair Value of Residual Shares		-		3,26,543.82
		-		3,26,543.82
<b>(ii) In Others (Measured at FVTOCI) :</b>				
Purbanchal Concast Pvt. Ltd.	21,75,000	3,54,908.97	-	-
Mangalmayee Vypar Pvt Ltd.	2,35,000	23,180.83	2,35,000	23,191.44
Ahinsha Properties Ltd.	19,670	5,35,015.75	19,670	5,06,893.33
Amrita Media Pvt. Ltd.	1,20,000	8,467.73	1,20,000	9,634.67
Metropolitan Stock Exchange Ltd.	1,00,000	591.76	1,00,000	651.37
DataNet Ecommerce Services Ltd.	17,50,000	3,58,536.05	17,50,000	3,50,000.00
<b>Total (B)</b>		<b>15,71,677.18</b>		<b>15,35,572.11</b>



# KANAK PROJECTS LIMITED

Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Nos/Units	Amount (₹)	Nos/Units	Amount (₹)
<b>2) Investment in Preference Instruments</b>				
<b>1.(Measured at Amortised Cost)</b>				
<b>(A) In Associate:</b>				
0.1% Cumulative Redeemable Preference Shares of Laojan Tea Company Private Limited	85,000	80,030.44	85,000	74,102.24
<b>(B) In Others:</b>				
6% Non Cumulative Non- Convertible Redeemable Preference Shares of DLX Limited.	4,00,000	3,66,137.30	7,00,000	6,43,701.80
12% Optionally Convertible Cumulative Preference Shares of Farm Enterprises Limited	6	0.60	6	0.60
5% Non Cumulative Optionally Convertible Redeemable Preference Shares of Ahinsha Properties Limited	-	-	60,000	2,79,683.84
5% Non Cumulative Non- Convertible Redeemable Preference Shares of DataNet Ecommerce Services Limited	1,50,000	1,08,649.77	1,50,000	1,07,671.67
5% Non Cumulative Redeemable Preference Shares of Praks United Ventures Private Limited	85,000	61,218.69	85,000	60,667.58
8% Non Cumulative Redeemable Preference Shares of Jhilik Promoters & Fincom Private Limited	2,50,000	2,50,000.00	2,50,000	2,50,000.00
<b>2.(Measured at FVTOCI)</b>				
0.0001% Cumulative Compulsorily Convertible Preference Shares of Planys Technologies Pvt Ltd.	45	14,850.00	45	14,850.00
<b>Total (C)</b>		<b>8,80,886.81</b>		<b>14,30,677.73</b>
<b>3) Investment in Mutual Funds ( Measured at FVTPL)</b>				
Kotak Balanced Advantage Fund	20,69,732	2,98,206.91	15,00,000	1,97,670.00
ICICI Pru Small Cap Fund (G)	-	-	2,83,361	1,03,341.86
Religare -Invesco PSU Equity Fund (G)	-	-	2,37,643	57,248.09
Axis Small Cap Fund Reg (G)	-	-	29,595	12,962.41
Invesco India Small Cap Fund Reg (G)	-	-	87,260	13,438.05
ICICI Pru - Business Cycle Fund Reg (G)	-	-	19,99,900	2,10,989.45
ICICI Pru - Technology Fund (G)	59,281	96,384.79	59,281	64,687.30
DSP Floater Fund	14,70,893	1,53,964.21	-	-
ICICI Dividend Yield Equity	63,968	17,540.06	-	-
ICICI Pru Equity Savings Fund (G)	37,98,165	6,53,284.46	-	-
ICICI Pru- Floating Interest Fund (G)	20,860	70,369.42	-	-
ICICI Pru- Ultra Short Term Fund Reg (G)	8,60,247	1,92,869.09	-	-
ICICI Pru Strategic Meta & Energy	39,60,113	4,86,792.98	-	-
UTI Dividend Yield Plan (G)	15,010	15,889.82	-	-
SBI - Savings Fund Reg (G)	20,27,374	6,83,076.98	-	-
Franklin India ST Income Segregated 3(9.5% Yes Bank)	889	612.50	889	612.50
Franklin India ST Income Segregated 2(10.9% Vodafone)	747	656.33	-	-
Axis Ultra Short Term Fund	-	-	13,52,397	1,58,150.62
<b>Total (D)</b>		<b>26,69,647.57</b>		<b>8,19,100.29</b>
<b>4) Investment in Debentures(Measured at Amortised Cost)</b>				
1% Unsecured Optionally Convertible Debentures of DataNet Ecommerce Services Limited	4,00,000	4,14,032.75	4,00,000	3,83,594.21
<b>Total (E)</b>		<b>4,14,032.75</b>		<b>3,83,594.21</b>
<b>5) Investment in Bonds(Measured at FVTOCI) :</b>				
8.99% B.O.B Bonds	40	4,18,980.00	-	-
<b>Total(F)</b>		<b>4,18,980.00</b>		<b>-</b>
<b>TOTAL ( A+B+C+D+E+F)</b>		<b>60,34,370.70</b>		<b>42,45,289.10</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 6: Financial Assets - Loans***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Non-current	Current	Non-current	Current
<b>Loans to Related Parties:-</b>				
(a) Loans Receivables considered good - Secured;				
(b) Loans Receivables considered good - Unsecured;	10,13,221.87	2,78,855.74	10,13,221.87	1,98,535.63
(c) Loans Receivables which have significant increase in Credit Risk				
(d) Loans Receivables - credit impaired				
<b>Loans to Others:-</b>				
(a) Loans Receivables considered good - Secured;	-	-	-	-
(b) Loans Receivables considered good - Unsecured;	-	1,84,900.44	-	1,84,937.84
(c) Loans Receivables which have significant increase in Credit Risk	-	-	-	-
(d) Loans Receivables - credit impaired	-	-	-	-
<b>Total Loans</b>	<b>10,13,221.87</b>	<b>4,63,756.18</b>	<b>10,13,221.87</b>	<b>3,83,473.47</b>

Note:- Outstanding Loan repayable on demand to related party amounts to Rs 14,76,978 (P.Y. Rs 13,96,965).

**Note 7: Financial Assets - Other Financial Assets***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good</b>				
Security Deposit	18,117.04		18,721.07	
<b>Others</b>				
Interest Accrued:	-	-	-	-
Loans				70,777.29
Fixed Deposits		20,366.51		18,850.58
Bonds and Debentures		13,747.62		986.30
Advance against purchase of Shares & Mutual Funds		20,240.23		2,20,159.75
Advances to Employees & Others Receivable		1,03,124.27		78,547.65
Fixed Deposits having maturity more than 12 months	7,11,230.00		230.00	-
<b>Total Other Financial Assets</b>	<b>7,29,347.04</b>	<b>1,57,478.63</b>	<b>18,951.07</b>	<b>3,89,321.57</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 8: Other Non-Current Assets***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Capital Advances	6,44,587.72	1,90,087.72
<b>Total of Other Non-Current Assets</b>	<b>6,44,587.72</b>	<b>1,90,087.72</b>

**Note 9: Inventories***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Equity Shares	3,40,694.36	4,46,163.84
<b>Total Inventories</b>	<b>3,40,694.36</b>	<b>4,46,163.84</b>

**Note 10: Financial Assets - Trade Receivables***(Amount in Rs.Hundreds)*

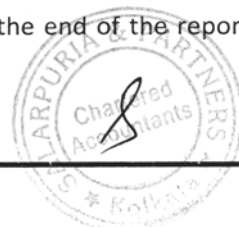
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	3,29,676.44	3,19,053.06
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired	27,042.78	27,042.78
Less: Allowance for Credit Impaired	27,042.78	27,042.78
<b>Total Trade Receivables</b>	<b>3,29,676.44</b>	<b>3,19,053.06</b>

Refer Note - 40(i) for Trade Receivable Ageing Schedule

**Note 11: Financial Assets - Cash and Cash Equivalents***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Balance with Schedule banks		
- On current accounts	42,712.36	5,94,135.37
- On Fixed Deposits having maturity of less than 3 months	-	-
- On Fixed Deposits having maturity of more than 3 months but less than 12 months	10,59,288.71	24,75,936.13
- On Fixed Deposits having maturity more than 12 months	7,11,230.00	230.00
Less:		
- On Fixed Deposits having maturity of more than 3 months but less than 12 months transferred to Bank Balance(Refer Note-12)	(10,59,288.71)	(24,75,936.13)
- On Fixed Deposits having maturity more than 12 months transferred to Other Financial Asset(Refer Note-7)	(7,11,230.00)	(230.00)
	42,712.36	5,94,135.37
Cheque on hand	22,723.57	12,054.93
Cash on hand	2,274.00	9,974.51
<b>Total Cash and Cash Equivalents</b>	<b>67,709.93</b>	<b>6,16,164.81</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 12: Financial Assets - Bank Balances other than Cash & Cash Equivalents***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
- On Fixed Deposits having maturity of more than 3 months but less than 12 months *	10,59,288.71	30,50,968.72
<b>Total</b>	<b>10,59,288.71</b>	<b>30,50,968.72</b>

\* Fixed Deposits under lien/pledge ( Refer Note 21 Financial Liabilities- Borrowings)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
- Fixed Deposits under lien/pledge	-	6,61,719.93
- Fixed Deposits not under lien/pledge	17,70,518.71	23,89,248.79
<b>Total</b>	<b>17,70,518.71</b>	<b>30,50,968.72</b>

**Note 13: Current Tax Assets/(Liability) (Net)***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax & TDS (Net of Provision)	1,04,181.62	(19,775.71)
<b>Total of Current Tax Assets/(Liability) (Net)</b>	<b>1,04,181.62</b>	<b>(19,775.71)</b>

**Note 14: Other Current assets***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Prepaid Expenses	3,978.26	3,785.72
Advance to Vendors	4,066.79	43,543.03
<b>Total of other non-current assets</b>	<b>8,045.05</b>	<b>47,328.75</b>





**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 15: Equity share capital***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
<b>Authorised Shares</b>				
Equity Shares of ₹ 10/- each	50,00,000	5,00,000.00	50,00,000	5,00,000.00
		<u>5,00,000.00</u>		<u>5,00,000.00</u>
<b>Issued, Subscribed &amp; Paid Up Shares</b>				
Equity Shares of ₹ 10/- each fully paid up	44,52,400	4,45,240.00	44,52,400	4,45,240.00
<b>Total</b>		<u>4,45,240.00</u>		<u>4,45,240.00</u>

**(a) Reconciliation of shares outstanding at the beginning & at the end of the reporting period :**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Equity share capital (Par Value)	No. of shares	Equity share capital (Par Value)
At the beginning of the year	44,52,400	4,45,240.00	44,52,400	4,45,240.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>44,52,400</b>	<b>4,45,240.00</b>	<b>44,52,400</b>	<b>4,45,240.00</b>

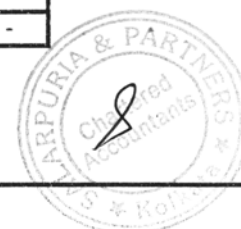
**(b) Terms and rights attached to equity shares :**

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. The holders of Equity Shares are entitled to receive dividends as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of Liquidation, the holders of Equity Shares will be entitled to receive the remaining assets of the company after payment of all preferential amounts, in proportion of their shareholding.

**(c) Disclosures of Shareholdings by Promoters****Shares Held by Promoters at the end of the year:**

Promoters Name	As at 31st March, 2022		
	No. of shares	% of total shares	%Changes during the year
Mr. Anshuman Prakash	30,27,580	91.37%	-
Mr. Nikhil Prakash	15,370	0.46%	-
Ms. Poonam Prakash	53,350	1.61%	-
Ms. Radhika Prakash	2,15,850	6.51%	-
Mr. Sudhir Prakash	1,350	0.04%	-
Darshanlal Anand Prakash & Sons Private Limited	100	0.003%	-
<b>TOTAL</b>	<b>33,13,600</b>	<b>100.00%</b>	<b>-</b>

Promoters Name	As at 31st March, 2021		
	No. of shares	% of total shares	%Changes during the year
Mr. Anshuman Prakash	30,27,580	91.37%	-
Mr. Nikhil Prakash	15,370	0.46%	-
Ms. Poonam Prakash	53,350	1.61%	-
Ms. Radhika Prakash	2,15,850	6.51%	-
Mr. Sudhir Prakash	1,350	0.04%	-
Darshanlal Anand Prakash & Sons Private Limited	100	0.003%	-
<b>TOTAL</b>	<b>33,13,600</b>	<b>100.00%</b>	<b>-</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 15: Equity share capital****(d) Details of shareholders holding more than 5% shares in the company :**

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity Shares of ₹ 10/- Each				
Mr. Anshuman Prakash *	30,27,580	68.00%	30,27,580	68.00%
Anand Vihar Housing Pvt. Ltd.	8,96,610	20.14%	8,96,610	20.14%

\* Includes 29,70,800 shares held as trustee of Anand Prakash Family Trust.

(e) No shares have been reserved for issue under options and contracts or commitments for the sale of Shares or divestment as at the Balance Sheet date.

**(f) For the period of five years immediately preceeding the date as at the Balance Sheet is prepared :**

- (i) No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- (ii) No Shares have been allotted as fully paid up by way of bonus shares.
- (ii) No Shares has been brought back by the Company.



# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

### Note 16: Other Equity

#### GENERAL RESERVE

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
At the beginning and at the end of the year:	35,59,863.17	35,59,863.17
Closing balance	35,59,863.17	35,59,863.17

#### RETAINED EARNINGS

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Opening balance	67,33,122.31	58,17,536.93
Add : Net profit/(loss) for the period	4,52,431.64	8,55,572.36
Add : Remeasurements of defined benefit obligation (net of Taxes)	(970.39)	(294.03)
Add: Transfer from FVTOCI Reserve		32,500.00
Add: Adjustment on Sale of Investment in Associate		27,807.05
Closing balance	71,84,583.56	67,33,122.31

#### FVTOCI RESERVE

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Opening balance	2,91,569.67	1,22,479.15
Net Gain/(Loss) on FVTOCI Investments	66,925.15	2,01,664.98
Less: Transfer to Retained Earning on Sale of Unquoted Equity Investment		(32,500.00)
Less: Adjustment on Sale of Investment in Associate		(74.46)
Closing balance	3,58,494.81	2,91,569.67

<b>TOTAL OF OTHER EQUITY</b>	<b>1,11,02,941.54</b>	<b>1,05,84,555.14</b>
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#### Nature and purpose of other reserves:

##### **General Reserve**

General Reserve is created and will be utilised in compliance with the provisions of the Act.

##### **Retained Earnings**

Retained earnings represent accumulated profits/(losses) earned by the Company and remaining undistributed as on date.

##### **FVTOCI Equity Investments**

The Company has elected to recognise changes in the fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.





**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 17: Non Current Financial Liabilities - Borrowings***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Secured		
Vehicle Term Loan from Bank*	18,393.36	24,567.51
Less: Current Maturity of Term Loan	(6,679.95)	(6,174.15)
<b>Total Non-Current Financial Liabilities - Borrowings</b>	<b>11,713.41</b>	<b>18,393.36</b>

*\*Secured by hypothecation of vehicles financed**Repayment Schedule of Vehicle Loan*

Particulars	2022-2023	2023-2024	2024-2025
Loan Amount Due to be Repaid	6,679.95	7,227.18	4,486.22

**Note 18: Financial Liabilities - Other financial liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Security Deposits from tenants	1,92,839.98	1,73,240.96
<b>Total Other Non-Current Financial Liabilities</b>	<b>1,92,839.98</b>	<b>1,73,240.96</b>

**Note 19: Deferred Tax (Net)***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Difference between Accounting base and Tax base of Assets and Liabilities	51,814.54	(7,019.34)
Add : Deferred tax accounted for the year	(23,013.27)	58,833.88
<b>Total Deferred Tax Liabilities/(Assets) (Net)</b>	<b>28,801.27</b>	<b>51,814.54</b>

**NOTE 19(A) : DEFERRED TAX RECONCILIATION***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Liabilities:</b>		
Fair Valuation of Other Asset and Liability	1,58,440.18	1,20,896.91
<b>Total</b>	<b>1,58,440.18</b>	<b>1,20,896.91</b>
<b>Deferred Tax Assets:</b>		
Fair Valuation of Other Asset and Liability	23,786.92	39,028.40
Property Plant and Equipment	13,124.54	15,735.27
Employee Benefits - Gratuity	3,829.45	2,655.04
Provision for Expenses	88,898.00	11,663.67
<b>Total</b>	<b>1,29,638.90</b>	<b>69,082.37</b>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>28,801.27</b>	<b>51,814.54</b>

**NOTE 19(B) : RECONCILIATION OF TAX EXPENSE ON THE ACCOUNTING PROFIT FOR THE YEAR***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Profit / (loss) before Tax	5,73,146.84	11,92,449.84
Applicable Tax Rate	0.25	0.25
Tax using the Company's Tax Rate	1,44,249.60	3,00,115.78
<b>Tax Effect of:</b>		
Exempt Income, net of disallowances	(77,093.41)	(60,439.66)
Standard deduction allowable on Income from House Property	-	-
Income chargeable under different rates	(24,993.26)	(36,538.86)
Permanent Differences	13,583.62	27,413.60
Other Temporary Differences	(28,722.71)	13,919.68
Other Non Deductible Expenses	83,750.95	55,635.81
Change in Tax Rates	(17,740.98)	-
<b>Tax Expense recognised in the Statement of Profit and Loss</b>	<b>93,033.80</b>	<b>3,00,106.36</b>

# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

### Note 20: Other Non-Current liabilities

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Pre- received rent on account of fair valuation of security deposit	1,04,188.57	1,22,137.77
Advance against Property	5,019.97	43,669.99
<b>Total of Other Non-Current Liabilities</b>	<b>1,09,208.54</b>	<b>1,65,807.76</b>

### Note 21: Financial liabilities - Borrowings

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Loans repayable on demand</b>		
<b>Secured</b>		
<b>Working Capital Loan from Axis Bank</b>		
Secured against the pledge/lien of Fixed deposit of the said bank**	-	2,44,463.29
Current Maturity on Long term Borrowings- Vehicle Loan	6,679.95	6,174.15
<b>Total Current Borrowings</b>	<b>6,679.95</b>	<b>2,50,637.44</b>

\*\* Secured against Fixed Deposit taken from Axis Bank Kolkata (WB).The period of renewal is 12 months and the effective return is 7.50 % p.a. (Refer Note 12 - Bank Balances other than Cash & Cash Equivalents)

### Note 22: Financial Liabilities - Trade Payables

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Trade payables</b>		
Total Outstanding dues of Micro Enterprises & Small Enterprises	9,080.43	-
Total Outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	49,355.61	42,430.35
<b>Total Trade Payables</b>	<b>58,436.04</b>	<b>42,430.35</b>

Refer Note - 47 for Trade Payable Ageing Schedule

### Disclosure of Micro, Small and Medium Enterprises :-

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	9,080.43	NIL
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	NIL	NIL
(iii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
(iv) The amount of interest due and payable for the period of delay in making payment.	NIL	NIL
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 23: Other Financial liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Payable to Employees	4,632.50	3,875.25
Security Deposits from tenants	3,292.50	3,292.50
Other Advances	8,448.11	12,171.67
Liability for Capital Goods	-	6,972.00
<b>Total Other Financial Liabilities</b>	<b>16,373.11</b>	<b>26,311.42</b>

**Note 24: Other Current liabilities***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Pre- received rent on account of fair valuation of security deposit	18,811.62	19,220.96
Statutory Dues	16,494.94	15,584.45
Interest Accrued and not due on Borrowings	101.56	135.65
<b>Total Other Current Liabilities</b>	<b>35,408.13</b>	<b>34,941.07</b>

**Note 25: Provisions***(Amount in Rs.Hundreds)*

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Employee Benefit- Gratuity	15,215.54	10,549.26
Provision for Rates & Taxes	3,53,218.40	46,343.24
<b>Total Provisions</b>	<b>3,68,433.94</b>	<b>56,892.50</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 26: Revenue from Operations***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rental Income*	6,08,228.86	5,72,805.21
Sale of Properties	-	1,89,114.70
Sale of Shares	3,50,445.06	9,69,664.76
Sale of Billets	6,87,509.31	10,02,695.21
Other Operating Revenue:		
-License Fees Received	8,731.50	7,333.50
<b>Total Revenue from Operations</b>	<b>16,54,914.73</b>	<b>27,41,613.38</b>

\* Includes Rental Income on account of Fair Valuation of Security Deposit amounting to ₹ 19,297/- (P.Y. ₹ 30,095/-)

**Note 27: Other Income***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Interest</b>		
- On Loans	66,137.77	1,73,781.31
- On Fixed Deposits	86,624.40	2,12,552.41
- On Debentures	37,989.59	986.30
- On Others	352.00	420.00
- On account of Fair Valuation of Investments in Preference Shares as per Effective Interest Rate (EIR) Method.	47,689.49	96,199.56
- On account of Fair Valuation of Investments in Debentures as per Effective Interest Rate (EIR) Method.	30,438.54	7,976.44
Dividend Income	4,144.60	2,261.01
Profit on Redemption of Preference Shares	2,519.59	21,568.01
Profit on Sale of Mutual Fund	1,40,951.98	2,46,769.72
Profit on Sale of Motor Car	-	8,440.07
Profit on Future and Option	7,582.16	20,036.52
Share of Profit from Partnership Firm	-	4,031.90
Profit on Sale of Securites(Equity Shares)	45,805.94	6,291.39
Compensation Towards Lease Termination	-	1,43,554.24
Miscellaneous Income	57,570.24	70,118.42
Fair Value Gain on Financial Instruments	1,91,674.78	1,44,378.89
<b>Total Other Income</b>	<b>7,19,481.07</b>	<b>11,59,366.19</b>

**Note 28: Purchases of Stock-in-Trade***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchase of Securites	1,36,500.68	12,59,087.71
Purchase of Billets	6,43,534.83	9,78,092.09
<b>Total Purchases of Stock-in-Trade</b>	<b>7,80,035.50</b>	<b>22,37,179.80</b>

**Note 29: Changes in Inventories of Finished Goods, Work-in-Progress***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Inventories at the Beginning of the year</b>		
Securites	4,46,163.85	56,370.63
Properties	-	1,32,665.24
<b>Inventories at the End of the year</b>		
Securites	3,40,694.36	4,46,163.84
Properties	-	-
<b>Changes in Inventories</b>	<b>1,05,469.48</b>	<b>(2,57,127.97)</b>

**Note 30: Employee Benefit Expense***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages, Bonus and Allowances	69,022.63	61,886.06
Contribution to Provident Fund & Other Funds	6,319.30	4,989.69
Director Remuneration	94,300.00	85,500.00
Staff Welfare Expenses	24,952.50	6,523.09
<b>Total Employee Benefit Expense</b>	<b>1,94,594.43</b>	<b>1,58,898.84</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****Note 31: Finance Cost***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Working Capital Loan	600.29	40,305.81
Interest on Vehicle Loan	1,686.32	992.56
Finance Cost on account of Fair Valuation of Security Deposit	15,677.74	24,569.98
Interest on Rates and Taxes	1,188.38	1,593.14
<b>Total Finance Cost</b>	<b>19,152.73</b>	<b>67,461.49</b>

**Note 32: Depreciation and Amortisation Expense***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on		
- Property, plant and equipment	42,201.81	30,726.87
- Investment property	33,133.54	27,563.64
<b>Total Depreciation and Amortisation Expense</b>	<b>75,335.35</b>	<b>58,290.51</b>

**Note 33: Other Expenses***(Amount in Rs.Hundreds)*

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Loss on Fair Valuation of Investment in Preference Share	-	1,23,097.99
Loss on Fair Valuation of Investment in Debentures	-	24,382.23
Rent,Rates & Taxes	3,12,804.02	57,438.21
Insurance	2,496.16	1,598.98
Repairs to Building	1,61,939.49	67,273.43
Repairs to Plant & Machinery	3,785.12	4,077.28
Repairs to Others	4,741.52	4,132.06
Bad Debts	-	3,472.00
Office Expenses	6,760.28	3,618.12
Motor Car Running & Maintenance Expenses	10,690.02	6,475.17
Donations & Charity(including Corporate Social Responsibility) [Refer Note 42 ]	25,000.00	46,000.00
Brokerage & Commission	-	5,130.00
Advertisement & Publicity	6,105.45	9,745.22
Security Services	12,322.04	10,557.83
Printing & Stationery	958.95	986.32
Electrical Charges	13,786.33	7,090.20
Communication Expenses	1,880.23	1,866.79
Legal & Professional Fees	47,293.12	30,415.53
<b>Auditor's Remuneration :</b>	-	-
- As Statutory Audit Fees	3,500.00	3,500.00
- As Tax Audit Fees	300.00	500.00
Travelling and Conveyance	3,155.80	3,400.30
Miscellaneous Expenses	4,335.55	3,571.74
Sundry Balances Written off	3,940.21	25,497.66
Director Sitting Fees	220.00	-
Share Speculation Loss	647.18	-
<b>Total Other Expenses</b>	<b>6,26,661.47</b>	<b>4,43,827.05</b>





**KANAK PROJECTS LIMITED****Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2022****34 Related Party Disclosure:**

Related Party Disclosure in accordance with the Indian Accounting Standard 24 :

NATURE OF RELATIONSHIP	Sl.No	NAME OF RELATED PARTIES
Key Management Personnel	1	Sudhir Prakash, Managing Director
	2	Anshuman Prakash, Director
	3	Neelima Jain, Director
	4	Nikhil Prakash, Director
	5	Sidhant Prakash, Director
	6	Nitin Kandoi, Independent Director
	7	Princey Kandoi, Independent Director
	8	Lalita Kanta Samal, Chief Financial Officer
	9	Ginni Lohariwala, Company Secretary
Enterprises Owned or Significantly Influenced by Key Managerial Personnel , or their Relatives	10	DLX Ltd
	11	Amrita Media Pvt. Ltd
	12	Megapix Strips & Tubes Pvt. Ltd.
	13	Darshanlal Anand Prakash & Sons Pvt. Ltd
	14	Barsana Farms Pvt Ltd
	15	Arihant Solvex Pvt. Ltd
	16	Purbanchal Concast Pvt. Ltd
Associate Company	17	Laojan Tea Company Private Ltd.

(Amount in Rs.Hundreds)

Sl. No.	NAME OF THE RELATED PARTY	TRANSACTION	As On 31st March,2022 (₹)	As On 31st March,2021 (₹)
1	Purbanchal Concast Pvt. Ltd	Loan Given	-	17,772.03
		Loan Repaid	-	2,50,000.00
		Interest	40,247.54	1,35,278.01
		Interest receivable	-	70,777.29
		Closing Balance of Loan	10,13,221.87	10,13,221.87
		License Fees Received	900.00	900.00
		Sale of Billets	6,87,509.31	10,02,695.21
2	DLX Ltd	Loan Given	-	1,55,000.00
		Loan Repaid	-	2,36,325.27
		Interest	9,834.47	12,081.34
		Closing Balance of Loan	1,18,122.91	1,09,271.89
		Purchase of Preference Shares	-	4,00,000.00
		Redemption of Preference Shares	3,00,000.00	
		Advance Given	31,135.93	11,099.40
3	Arihant Solvex Pvt. Ltd	Refund Of Advance	27,235.33	15,000.00
		Interest	12,743.43	6,380.39
		Loan Given	60,000.00	37,500.00
4	Amrita Media Pvt. Ltd	Closing Balance of Loan	1,60,732.83	89,263.74
		Reimbursement Receivable	5,023.24	3,373.24
5	Barsana Farms Pvt Ltd	License Fees Received	240.00	240.00
6	Megapix Strips & Tubes Pvt. Ltd.	Loan Outstanding	1,58,554.14	1,43,911.18
		Interest	-	14,642.96
7	Ginni Lohariwala	Salary	1,800.00	750.00
8	Nitin Kandoi	Director Sitting Fees	110	-
9	Princey Kandoi	Director Sitting Fees	110	-
10	Anshuman Prakash	Directors Remuneration	30,900.00	28,500.00
11	Nikhil Prakash	Directors Remuneration	32,500.00	28,500.00
12	Sidhant Prakash	Directors Remuneration	30,900.00	28,500.00



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****NOTES TO ACCOUNTS :-****35 Fair Value Hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2022 : (Amount in Rs.Hundreds)**

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs
<b>Assets measured at fair value:</b>					
<b>Investments at Fair Value through OCI (FVTOCI)</b>	5				
Investments in Quoted equity shares		79,146.40	79,146.40	-	-
Investments in Unquoted equity shares		12,88,701.10	-	-	12,88,701.10
Investments in Bonds		4,18,980.00	-	4,18,980.00	-
Investments in Unquoted Preference Shares		14,850.00	-	-	14,850.00
<b>Investments at Fair Value through Profit or Loss</b>	5				
Investments in Mutual Funds		14,850.00	-	14,850.00	-
<b>Investments at Amortised Cost</b>	5				
Investments in Unquoted Preference Shares		8,66,036.81	-	-	8,66,036.81
Investments in Debentures	5	4,14,032.75	-	-	4,14,032.75
<b>TOTAL</b>		<b>30,96,597.06</b>	<b>79,146.40</b>	<b>4,33,830.00</b>	<b>25,83,620.66</b>
<b>Liabilities measured at fair value at amortised</b>	18				
Interest-free Security Deposit		1,96,132.48	-	-	1,96,132.48
<b>TOTAL</b>		<b>1,96,132.48</b>	<b>-</b>	<b>-</b>	<b>1,96,132.48</b>

**Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31st March, 2021 : (Amount in Rs.Hundreds)**

PARTICULARS	Refer Note No	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs
<b>Assets measured at fair value:</b>					
<b>Investments at Fair Value through OCI (FVTOCI)</b>	5				
Investments in Quoted equity shares		76,344.77	76,344.77	-	-
Investments in Unquoted equity shares		12,24,914.62	-	-	12,24,914.62
Investments in Unquoted Preference Shares		14,850.00	-	-	14,850.00
<b>Investments at Fair Value through Profit or Loss</b>	5				
Investments in Mutual Funds		8,19,100.29	-	8,19,100.29	-
<b>Investments at Amortised Cost</b>					
Investments in Unquoted Preference Shares		14,15,827.73	-	-	14,15,827.73
Investments in Debentures	5	3,83,594.21	-	-	3,83,594.21
Investments in Bonds		-	-	-	-
<b>TOTAL</b>		<b>39,34,631.61</b>	<b>76,344.77</b>	<b>8,19,100.29</b>	<b>30,39,186.65</b>
<b>Liabilities measured at fair value at amortised</b>					
Interest-free Security Deposit	18	1,76,533.46	-	-	1,76,533.46
<b>TOTAL</b>		<b>1,76,533.46</b>	<b>-</b>	<b>-</b>	<b>1,76,533.46</b>

There have been no transfers between Level 1 and Level 2 during the year ended 31st March, 2022 or 31st March, 2021.

**36 Earning Per Equity Share (Ind AS 33)**

**(Amount in Rs.Hundreds)**

PARTICULARS	31st March, 2022 ₹	31st March, 2021 ₹
(a) Net Profit after tax available for Equity Shareholders	4,80,113.03	8,92,343.48
(b) Weighted average no. of equity shares of ₹ 10/- each outstanding during the year	44,52,400	44,52,400
(c) Basic/Diluted Earnings per Share (a)/(b)	10.78	20.04



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****37 POST RETIREMENT EMPLOYEE BENEFITS (IND AS -19 )****Defined Benefit Plans As Per Actuarial Valuation****Gratuity ( funded by the Company )**

The scheme is funded and the fund is lying with LIC. The company has provided with the balance of the fund as at 01.04.2021 and 31.03.2022 and the information relating to the contribution made and the benefits paid out and interest earned during the period from 01.04.2021 to 31.03.2022

Determination of actuarial assumption depend on various factors such as the company's internal commercial and business plan, various industry factors, applicable economics factors, internal HR related policies (including and changes thereto), regulatory factors, etc .

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the company is exposed to various risk in providing the above gratuity benefit which are as follows:

**Interest Rate Risk :** The plan exposes the company to the risk of fall in interest rates. A fall in interest rate will result in an increase in ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk :** This is the risk that the company is not able to meet the short term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of liquid asset not being sold in time.

**Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Derivation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plans's liability.

**Demographic Risk :** The company has used certain mortality and attrition assumptions in valuation of liability. The company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk :** Gratuity benefit is paid in accordance with the requirements of the payment of Gratuity Act, 1972. There is a risk of change in regulations requiring higher gratuity payouts.

**SUMMARY OF ASSETS AND LIABILITY (BALANCE SHEET POSITION)***(Amount in Rs.Hundreds)*

PARTICULARS	As On	
	31st March,2022	31st March,2021
Present value of obligation	35,121.13	28,787.02
Fair Value of Plan Asset	19,905.59	18,237.76
Unrecognised Past Service Cost	-	-
Effects of Asset Ceiling	-	-
<b>Net Asset / (Liability)</b>	<b>(15,215.54)</b>	<b>(10,549.26)</b>

**WINDUP LIABILITY / DISCONTINUANCE LIABILITY***(Amount in Rs.Hundreds)*

PARTICULARS	As On	
	31st March,2022	31st March,2021
Discontinuance Liability	35,132.28	28,842.14
Present Value of Obligation	35,121.13	28,787.02
<b>Ratio ( Present Value of Obligation / Discontinuance Liability )</b>	<b>1.00</b>	<b>1.00</b>

**(i) Details of funded post retirement are as follows:****a. Expense Recognised In Statement of Profit/Loss***(Amount in Rs.Hundreds)*

PARTICULARS	31st March,2022	31st March,2021
Current service Cost	2,212.73	2,035.95
Loan / (Gain) on settlement	-	-
Net Interest Cost	659.33	560.07
<b>Benefit Cost (Expense Recognised In Statement of Profit/Loss)</b>	<b>2,872.06</b>	<b>2,596.02</b>





**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****b. Other Comprehensive Income***(Amount in Rs.Hundreds)*

PARTICULARS	31st March,2022	31st March,2021
Actuarial gain/Loss on Obligation due to :		
- change in demographic assumptions	-	-
- change in financial assumptions	66.06	65.66
- experience varience ( i.e. Actual experience vs assumptions )	2,256.13	1,080.84
- others	-	-
Return/loss on plan assets excluding amounts included in interest income	(201.08)	(235.59)
<b>Components Of defined Benefit Cost Recognised In Other Compresive Income</b>	<b>2,121.11</b>	<b>910.91</b>

*(Amount in Rs.Hundreds)***c. Change in Present Value of Defined benefit obligation:**

PARTICULARS	31st March,2022	31st March,2021
Present Value of DBO at beginning of period	28,787.02	26,561.73
Current Service cost	2,212.73	2,035.95
Interest Cost	1,799.19	1,673.39
Curtailment Cost/(credit)	-	-
Settlement cost/(credit)	-	-
Employee contribution	-	-
Past Service Cost	-	-
Acquisitions	-	-
Re-measurement (or Actuarial (gains)/Losses) Arising from		
-change in demographic assumption	-	-
-change in financial assumptions	66.06	65.66
-experience variance (i.e. Actual experience vs assumptions)	2,256.13	1,080.84
-others	-	-
Benefits paid	-	(2,630.55)
<b>Present Value of DBO at end of period</b>	<b>35,121.13</b>	<b>28,787.02</b>

**d. Changes in Fair Value of Plan Assets***(Amount in Rs.Hundreds)*

PARTICULARS	31st March,2022	31st March,2021
Plan assets at beginning of period	18,237.76	17,671.70
Investment Income	1,139.86	1,113.32
Return on Plan Assets, Excluding amount recognised in Net Interest Expenses	201.08	235.59
Actual Company Contributions	326.89	1,847.70
Fund Transferred	-	-
Employee contributions	-	-
Benefits paid	-	(2,630.55)
<b>Plan assets at end of period</b>	<b>19,905.59</b>	<b>18,237.76</b>

**e. Net asset/(liability) recognised in balancesheet***(Amount in Rs.Hundreds)*

PARTICULARS	31st March,2022	31st March,2021
<b>Funded Status</b>		
Present value of Defined Benefit Obligation	35,121.13	28,787.02
Fair Value of plan assets	19,905.59	18,237.76
Funded Status [surplus/Deficit]	(15,215.54)	(10,549.26)
Effect of balancesheet asset limit	-	-
Unrecognised past service cost	-	-
<b>Net asset/(liability) recognised in balancesheet</b>		(10,549.26)
Net asset/(liability) recognised in balancesheet at the beginning of period	(10,549.26)	(8,890.03)
Expenses recognised in Income Statement	2,872.06	2,596.02
Expenses recognised in Other Comprehensive Income	2,121.11	910.91
Employer Contribution	326.89	1,847.70
Net Acquisition / Business contributions	-	-
<b>Net asset/(liability) recognised in balance sheet at the end of period</b>	<b>(15,215.54)</b>	<b>(10,549.26)</b>

**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****f. Major Categories of plan Assets as % of Total Plan Assets**

PARTICULARS	31st March,2022	31st March,2021
Fund Managed by Insurer	100%	100%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

**g. Maturity Profile of Defined Benefit Obligation***(Amount in Rs.Hundreds)*

Expected Cash flow (valued on undiscounted basis)	31st March,2022	31st March,2021
	Indian Rupees (INR)	Indian Rupees (INR)
1 years	17,409.41	10,591.62
Between 2 to 5 years	8,300.86	10,192.65
Between 6 to 10 years	9,014.55	8,805.74
More Than 10 Years	11,995.93	11,194.10
The average duration of the defined benefit plan obligation at the end of balancesheet date (in years)	4 years	5 years

**h. Sensitivity Analysis***(Amount in Rs.Hundreds)*

PARTICULARS	31 March, 2022		31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+1%)	33,862.85	36,518.99	27,538.84	30,179.02
% Change Compared To Base due to Sensitivity	-3.58%	3.98%	-4.340%	4.840%
Salary Growth(-/+1%)	36,554.60	33,808.37	30,216.41	27,482.88
% Change Compared To Base due to Sensitivity	4.08%	-3.74%	4.970%	-4.530%
Attrition Rate (-/+ 50%)	35,140.93	35,098.98	28,811.48	28,759.53
% Change Compared To Base due to Sensitivity	0.06%	-0.06%	0.080%	-0.100%
Mortality Rate (-/+10%)	35,125.79	35,116.33	28,792.44	28,781.43
% Change Compared To Base due to Sensitivity	0.01%	-0.01%	0.020%	-0.020%

**(ii) Details of unfunded post retirement defined benefit obligation are as follows:***(Amount in Rs.Hundreds)***a. Division of Defined Benefit Obligation (Current / Non- current) at the end of the period**

PARTICULARS	31st March,2022	31st March,2021
Current define benefit obligation	17,409.41	10,591.62
Non-current define benefit obligation	17,711.72	18,195.40
<b>Total defined benefit obligation</b>	<b>35,121.13</b>	<b>28,787.02</b>
<b>b. Best Estimate Of Contribution During Next Year</b>	<b>17,443.85</b>	<b>12,573.95</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****FINANCIAL INSTRUMENTS- ACCOUNTING, CLASSIFICATION AND FAIR VALUE MEASUREMENTS****38 Financial Instruments by category**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

*(Amount in Rs.Hundreds)*

SI No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2022			
				Carrying value			Total
				FVTPL	FVTOCI	Amortized cost	
1	Financial Assets						
(a)	Investments *	5	57,51,394.61	26,69,647.57	17,93,677.49	12,80,069.56	57,43,394.62
(b)	Trade and other Receivables	10	3,29,676.44	-	-	3,29,676.44	3,29,676.44
(c)	Cash and Cash Equivalents	11	67,709.93	-	-	67,709.93	67,709.93
(d)	Bank Balances other than Cash and Cash Equivalents	12	10,59,288.71	-	-	10,59,288.71	10,59,288.71
(e)	Loans	6	14,76,978.05	-	-	14,76,978.05	14,76,978.05
(f)	Other financial assets	7	8,86,825.66	-	-	8,86,825.66	8,86,825.66
	Total		95,71,873.40	26,69,647.57	17,93,677.49	51,00,548.35	95,63,873.41
2	Financial Liabilities						
(a)	Borrowings	17 & 21	18,393.36	-	-	18,393.36	18,393.36
(b)	Trade and other Payables	22	49,355.61	-	-	49,355.61	49,355.61
(c)	Other Financial Liabilities	18 & 23	2,09,213.09	-	-	2,09,213.09	2,09,213.09
	Total		2,76,962.05	-	-	2,76,962.05	2,76,962.05

\* Excludes investments measured at cost .

*(Amount in Rs.Hundreds)*

(Amount in Rs in Lakhs)							
Sl No.	PARTICULARS	Refer Note No	Total Fair Value	31st March, 2021			
				Carrying value			Total
				FVTPL	FVTOCI	Amortized cost	
1	Financial Assets						
(a)	Investments *	5	39,34,631.61	8,19,100.29	13,08,109.39	17,99,421.94	39,26,631.61
(b)	Trade and other Receivables	10	3,19,053.06	-	-	3,19,053.06	3,19,050.36
(c)	Cash and Cash Equivalents	11	6,16,164.81	-	-	6,16,164.81	6,16,164.81
(d)	Bank Balances other than Cash and Cash Equivalents	12	30,50,968.72	-	-	30,50,968.72	30,50,968.72
(e)	Loans	6	14,15,416.41	-	-	14,15,416.41	14,15,416.41
(f)	Other financial assets	7	3,89,551.57	-	-	3,89,551.57	3,89,551.57
	Total		97,25,786.18	8,19,100.29	13,08,109.39	75,90,576.51	97,17,783.48
2	Financial Liabilities						
(a)	Borrowings	17 & 21	2,69,030.80	-	-	2,69,030.80	2,69,030.80
(b)	Trade and other Payables	22	42,430.35	-	-	42,430.35	42,430.35
(c)	Other Financial Liabilities	18 & 23	1,99,552.38	-	-	1,99,552.38	1,99,552.38
	Total		5,11,013.53	-	-	5,11,013.53	5,11,013.53

\* Excludes investments measured at cost .

**39 Disclosure in respect of Contingent Liability and Capital Commitment:****(a) Contingent Liability(to the extent not provided for)***(Amount in Rs.Hundreds)*

PARTICULARS	Current Year (2021-2022)	Previous Year (2020-2021)
i) Capital Commitment (Net of Advance paid )	20,500	-

**(b) Income Tax**

- Assessment Year 2013-2014 , the company has filed an appeal with C.I.T. (Appeal) against a demand of ₹15,849.20 (Net of Paid under protest of ₹ 5,000.00 /-)
- Assessment Year 2017-2018 , the company has filed an appeal with C.I.T. (Appeal) against an Income Tax Order of ₹33,744.18 (Net of Paid under protest of ₹ 8,436.05 /-)

**(c) Municipal Tax**

The Company has preferred an appeal before the Hon'ble Calcutta High Court against the Order of Kolkata Municipal Corporation in respect of retrospective revision of Annual Valuation of the Property and raised a demand of ₹40,43,005.61/- against which the Company has paid ₹9,12,159.36/- . However, the said proceeding are still pending before the Hon'ble Calcutta High Court. The Company expects no material liability towards the same.



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****40 Financial risk management objectives and policies**

The Company's principal financial liabilities includes Borrowings, Trade payable and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Securities, Trade receivables, Cash and cash equivalents and Other financial assets that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below :

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future cost of borrowings. The interest rate risk is managed by the Company by monitoring monthly cash flows which is reviewed by management to prevent loss of interest.

The following table demonstrates the borrowings of the Company:

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Vehicle Loan	18,393.36	24,567.51
Working Capital Loan	-	2,44,463.29
<b>Total</b>	<b>18,393.36</b>	<b>2,69,030.80</b>

**Sensitivity Analysis :**

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of borrowings affected. With all other variables remaining constant, the company's profit before tax and equity before tax is affected, as follows:

(Amount in Rs.Hundreds)

PARTICULARS	Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Pre tax Equity
As at	+ 0.5%	(870.99)	(870.99)
31st March, 2022	- 0.5%	870.99	870.99
As at	+ 0.5%	(1,365.00)	(1,365.00)
31st March, 2021	- 0.5%	1,365.00	1,365.00

**(ii) Price risk**

The Company's exposure to securities price risk arises from investments held - both quoted, mutual fund and bonds and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. The Company is not expecting high risk exposure from its investment in securities.

The table below sets forth the fair value of quoted investments in securities of listed companies and mutual funds :

(Amount in Rs.Hundreds)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Investments in Quoted Equity Shares (at FVTOCI)	79,146.40	76,344.77
Investments in Mutual Funds (at FVTPL)	26,69,647.57	8,19,100.29
Investments in Bonds (at FVTOCI)	4,18,980.00	-
<b>TOTAL</b>	<b>31,67,773.96</b>	<b>8,95,444.56</b>



**KANAK PROJECTS LIMITED**

### Sensitivity Analysis :

The impact of increases/decreases of the index on the Company's quoted equity investments and mutual funds for the period is based on the assumption that the equity index has increased/ decreased with all other variables held constant, and that all the Company's equity investments and mutual funds moved as per the market index.

PARTICULARS		Increase/ decrease in Basis points	Effect on Profit before tax	Effect on Other Comprehensive Income	Effect on Pre tax Equity
As at		5.00%	1,33,482.38	24,906.32	1,58,388.70
31st March, 2022		-5.00%	(1,33,482.38)	(24,906.32)	(1,58,388.70)
As at		5.00%	40,955.01	3,817.24	44,772.25
31st March, 2021		-5.00%	(40,955.01)	(3,817.24)	(44,772.25)

(b) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.

(i) Trade Receivables

**Trade Receivables**  
The Company extends credit to customers in the normal course of business. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major customers.

(Amount in Rs. Hundreds)

Outstanding for following periods from due date of payment								
Particulars	Unbilled dues	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>i. Undisputed Trade receivables</b>								
Considered good	-	-	3,14,343.72	2,811.56	2,894.88	1,424.26	1,467.87	3,22,942.28
	-	-	(3,13,224.77)	(1,655.81)	(2,162.03)	(674.88)	(82.60)	(3,17,800.08)
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>ii. Disputed Trade Receivables</b>								
Considered good	-	-	-	-	-	-	6,734.16	6,734.16
	-	-	-	-	-	-	(6,734.16)	(6,734.16)
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	27,042.78	27,042.78
	-	-	-	-	-	-	(27,042.78)	(27,042.78)
Less:- Provision for doubtful debts	-	-	-	-	-	-	(27,042.78)	(27,042.78)
	-	-	-	-	-	-	(27,042.78)	(27,042.78)
<b>Total</b>	-	-	3,14,343.72	2,811.56	2,894.88	1,424.26	8,202.03	3,29,676.44

**Note-**Figures in brackets indicate Trade Receivable ageing analysis of corresponding previous year

(iii) *Deposits with banks and other financial instruments*

The Company considers factors such as track record, market reputation and service standards to select banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Company has also availed borrowings. The Company does not maintain significant cash balances other than those required for its day to day operations.



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****(c) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and working capital limits.

Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on the balance sheet date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. The maturity profile of the Company's financial liabilities based on the remaining period from the date of the balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

The table below summarises the maturity profile of the Company's financial liabilities :

PARTICULARS	(Amount in Rs.Hundreds)		
	As at 31st March, 2022		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	18,393.56	-	-
ii. Other financial liabilities	-	63,399.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>18,393.56</b>	<b>63,399.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	6,679.95	-	-
ii. Trade payables	49,355.61	-	-
iii. Other financial liabilities	31,588.65	-	-
<b>Total current liabilities</b>	<b>87,624.21</b>	<b>-</b>	<b>-</b>

PARTICULARS	(Amount in Rs.Hundreds)		
	As at 31st March, 2021		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	24,567.51	-	-
ii. Other financial liabilities	-	58,539.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>24,567.51</b>	<b>58,539.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	2,50,637.44	-	-
ii. Trade payables	42,430.35	-	-
iii. Other financial liabilities	36,860.68	-	-
<b>Total current liabilities</b>	<b>3,29,928.47</b>	<b>-</b>	<b>-</b>



## KANAK PROJECTS LIMITED

### Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

#### 41 Capital Management

##### Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders. The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2022 and 31st March, 2021.

(Amount in Rs. Hundreds)

#### 42 Expenditure on Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility activities, included in Donation & Charity under Other Expenses in Statement of Profit and Loss is Rs. 25,000.00 (31st March, 2021 : Rs. 21,000.00).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended 31st March, 2022 is Rs. 20,605.83 (31st March, 2021 : Rs. 20,540.03) i.e 2% of average net profits for the last three financial years, calculated as per Section 198 of the Companies Act, 2013. However the company has spent Rs. 25,000.00 during the financial year 2021-22.

Particulars	2021-22	2021-22
Amount required to be spent by the company during the year	20,604.83	20,540.29
Amount spent during the year	25,000.00	21,000.00
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	-
Contribution to a Trust controlled by the company	-	-
The nature of CSR activities undertaken by the Company	Support to Eye Hospital	Support to Eye Hospital

Note: The Company has not made any provision with respect to any liability incurred by entering into a contractual obligation. Hence, movement in provision is not required.

43 There is no amount due to be credited to the Investors Education and Protection Fund as on 31st March, 2022.

44 The Fair Value of the Investment Properties are ₹ 1,16,51,770.00 (in Hundreds). The fair value of the investment properties is based on the Valuation by Registered Valuer as defined under Rule 2 of Companies (Registered Valuer and Valuation) Rules 2017. The Rental Income from the Investment Property as required to be disclosed as per Ind AS 40 "Investment Property" is Rs 6,08,228.86/- (in Hundreds) and the direct operating expenses are Rs 4,78,528.63/- (in Hundreds).



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****45 Leases****(i) Operating Lease Granted by the Company**

The Company has recognised ₹5,88,932 [Previous Year: ₹5,42,710] towards minimum lease receipt in the Statement of Profit and Loss.

The Company's significant leasing arrangements are in respect of operating leases for Premises. Lease income from operating leases is recognized on a systematic basis over the period of lease. The future minimum lease receivables as per lease agreement are as under:

(Amount in Rs.Hundreds)		
PARTICULARS	As at March 31, 2022 (₹)	As at March 31, 2021 (₹)
Future Lease Income		
Within One Year	5,79,272.22	6,05,829.88
Later than one year and not later than five years	19,55,319.74	24,30,459.58
Later than five years	13,31,325.48	13,31,396.49
<b>Total Future Lease Income</b>	<b>38,65,917.44</b>	<b>43,67,685.95</b>





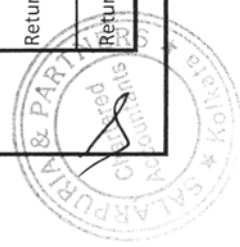
# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

### 46 Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows :

Particulars	Numerator	Denominator	As at March 31,		Variance	Remark
			2022	2021		
Current Ratio	Current Assets	Current Liabilities	5.2146	12.1870	-57.21%	Decrease in Current Assets
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.0016	0.0251	-93.49%	Working Capital Facilities have not been withdrawn
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	15.1581	15.9041	-4.69%	
Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.0437	0.0877	-50.21%	Decrease in Profit after Tax
Inventory Turnover Ratio	Cost of goods sold OR sales	Average inventory = (Opening + Closing balance / 2)	2.6382	6.8057	-61.23%	Decrease in Revenue from Traded Goods
Trade Receivables Turnover Ratio	Net Credit Sales=Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables (including unbilled revenue)	Average trade debtors = (Opening + Closing balance / 2)	2.1196	5.7406	-63.08%	Decrease in Revenue from Traded Goods
Trade Payable Turnover Ratio	Net Credit Purchase = Net credit purchases consist of gross credit purchases minus purchase return	Average trade payable = (Opening + Closing balance / 2)	13.3485	52.7259	-74.68%	Decrease in Purchase
Net Capital Turnover Ratio	Net Sales=Net sales shall be calculated as total sales minus sales returns.	Working Capital =Working capital shall be calculated as current assets minus current liabilities.	0.8091	0.5686	42.28%	Decrease in Revenue from Operation
Net Profit Ratio	Net profit after tax	Net Sales =Net sales shall be calculated as total sales minus sales returns.	0.2901	0.3255	-10.87%	
Return on Capital Employed	Earning before interest and taxes	Capital Employed = Tangible NetWorth + Total Debt + DeferredTaxLiability	0.0510	0.1119	-54.45%	Decrease in Revenue from Operation
Return on Investment	(Closing Balance-Opening Balance)+Dividend	Opening Balance	0.1575	0.4925	-68.03%	Decrease in Return



**KANAK PROJECTS LIMITED**

**Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022**

**47 Trade Payable Ageing**

**The ageing analysis of the Trade Payables**

Particulars	Outstanding as at 31st March, 2022 (31st March, 2021) from the due date						Total
	Unbilled Due*	Not Due	Up to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	3,89,063.00	5,18,980.00	-	-	-	9,08,043.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,87,000.00	4,26,742.00	7,73,679.00	20,00,000.00	13,48,140.00	-	49,35,561.00
(iii) Disputed dues of micro enterprises and small enterprises	(4,07,500.00)	-	(24,91,535.00)	(13,44,000.00)	-	-	(42,43,035.00)
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****(c) Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and working capital limits.

Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on the balance sheet date. Long term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals. The maturity profile of the Company's financial liabilities based on the remaining period from the date of the balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

The table below summarises the maturity profile of the Company's financial liabilities :

PARTICULARS	(Amount in Rs. Hundreds)		
	As at 31st March, 2022		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	18,393.36	-	-
ii. Other financial liabilities	-	63,399.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>18,393.36</b>	<b>63,399.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	6,679.95	-	-
ii. Trade payables	49,355.61	-	-
iii. Other financial liabilities	31,588.65	-	-
<b>Total current liabilities</b>	<b>87,624.21</b>	<b>-</b>	<b>-</b>

PARTICULARS	(Amount in Rs. Hundreds)		
	As at 31st March, 2021		
	< 1 Year	1 - 5 Years	> 5 Years
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	24,567.51	-	-
ii. Other financial liabilities	-	58,539.00	2,63,023.20
<b>Total non-current liabilities</b>	<b>24,567.51</b>	<b>58,539.00</b>	<b>2,63,023.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	2,50,637.44	-	-
ii. Trade payables	42,430.35	-	-
iii. Other financial liabilities	36,860.68	-	-
<b>Total current liabilities</b>	<b>3,29,928.47</b>	<b>-</b>	<b>-</b>



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022****NOTE 48: Information about Operating Segment for the Current Year 2021-22 (IND AS - 108)**

Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment transfers. Inter segment transfers are accounted for based on the transaction price agreed to between the segments.

Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable".

(Amount in Rs.Hundreds)

PARTICULARS	Rental Income	Billets Sale	Unallocated	Total (₹)
<b>REVENUE</b>				
Revenue	6,16,960.36	6,87,509.31	3,50,445.06	16,54,914.73
Other Income	57,570.24	-	6,61,910.83	7,19,481.07
<b>Total Revenue</b>	<b>6,74,530.60</b>	<b>6,87,509.31</b>	<b>10,12,355.89</b>	<b>23,74,395.80</b>
<b>RESULTS</b>				
<b>Segment Result</b>	31,910.62	(24,590.17)	5,84,979.11	5,92,299.56
Finance Cost				19,152.73
<b>Profit Before Tax</b>				5,73,146.84
Current Tax				1,39,497.50
Deferred Tax				(28,722.71)
Income Tax for Earlier Year				(17,740.98)
<b>Profit After Tax</b>				4,80,113.03
<b>Other Information</b>				
Segment Assets	13,62,582.57	3,40,704.55	1,03,89,812.63	1,20,93,099.75
<b>Total Asset</b>				1,20,93,099.75
Segment Liabilities	7,19,259.14	-	1,08,635.21	8,27,894.35
<b>Total Liabilities</b>				8,27,894.35

**Information about Operating Segment for the Previous Year 2020-21:**

(Amount in Rs.Hundreds)

PARTICULARS	Rental Income	Billets Sale	Unallocated	Total (₹)
<b>REVENUE</b>				
Revenue	5,80,138.71	10,02,695.21	11,58,779.46	27,41,613.38
Other Income	2,13,672.66	-	9,45,693.52	11,59,366.18
<b>Total Revenue</b>	<b>7,93,811.37</b>	<b>10,02,695.21</b>	<b>21,04,472.99</b>	<b>39,00,979.56</b>
<b>RESULTS</b>				
<b>Segment Result</b>	5,65,980.52	(24,137.66)	7,18,068.48	12,59,911.34
Finance Cost				67,461.49
<b>Profit Before Tax</b>				11,92,449.85
Current Tax				2,92,473.50
Deferred Tax				7,632.87
Income Tax for Earlier Year				-
<b>Profit After Tax</b>				8,92,343.48
<b>Other Information</b>				
Segment Assets	10,71,515.23	3,54,209.99	1,01,33,657.52	1,15,59,382.73
<b>Total Asset</b>				1,15,59,382.73
Segment Liabilities	4,49,866.25	-	3,90,378.84	8,40,245.09
<b>Total Liabilities</b>				8,40,245.09

# KANAK PROJECTS LIMITED

## Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022

49 The consolidated financial statements present the consolidated account of Kanak Projects Limited with the following :-

Sl. No.	Name of the Companies	Relationship	Country of Incorporation	Percentage of Holding (%)	
				As on 31.03.2022	As on 31.03.2021
1	Lao Jan Tea Company Pvt. Ltd.	Associate	India	49.91	49.91
2	Purbanchal Concast Pvt. Ltd.	Associate	India	19.94	19.94

50 The Following Informations are provided in respect of consolidation:

Sl. No.	Name	Net assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income		(Amount in ₹)
		As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Consolidated Total Comprehensive Income	Amount (₹)	
1	Parent Company Kanak Projects Limited	97.55	1,12,65,205	106.12	4,80,113	100.00	65,955	105.34	5,46,068	
2	Associates Lao Jan Tea Company Pvt. Ltd.	2.45	2,82,976	(6.12)	(27,681)	-	-	(5.34)	(27,681)	
3	Purbanchal Concast Pvt. Ltd.	-	-	-	-	-	-	-	-	
	Total	100	1,15,48,182	100	4,52,432	100	65,955	100	5,18,386	

51 The break-up value of Investment in Associate is as under [ Refer Note No 5] :

PARTICULARS	(Amount in ₹)	
	Lao Jan Tea Company Pvt. Ltd.	Purbanchal Concast Pvt. Ltd.
Number of Equity Shares	8,000 (8,000)	21,75,000 (21,75,000)
Percentage of Holding	49.91 49.91	19.94 19.94
Cost of Investment (Equity Shares)	8,000 (8,000)	2,42,500 (2,42,500)
Share in Accumulated Profit/Loss upto 31.03.2021	3,10,657 (3,05,386)	- -
Share of Profit for the Year	(27,681) (5,272)	- (42,043)
Share of Other Comprehensive Income for the Year	- -	- -
Carrying Cost	2,90,976 (3,18,657)	* *

\*The Company ceases to have significant influence on it's Associate and residual shares are carried at Fair Value.



**KANAK PROJECTS LIMITED****Notes to the Consolidated Financial Statements as at and for the year ended 31st March, 2022**

- 52 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules.
- 53 The Company does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ending 31st March, 2022 and also for the period ending 31st March, 2021.
- 54 The Company has not been declared wilful defaulter by any bank, financial institution or any other entity.
- 55 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period, for the current and previous year.
- 56 The Company has complied with number of layers as prescribed under clause-87 of section 2 of the Companies Act, 2013 read with Companies Rule, 2017.
- 57 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 58 The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year.
- 59 **Utilisation Of Borrowed Funds and Share Premium**  
A) The Company has not advanced, loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall-  
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)  
ii) provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.  
So, required disclosure with respect to the above is not applicable.  
  
B) The Company has not received any fund from any person(s) or entity(ies) including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-  
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)  
ii) provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries.  
So, required disclosure with respect to the above is not applicable.
- 60 The Company has not taken any funds from any entity or person on account of or to meet the obligations of its
- 61 Estimation uncertainty relating to the global health pandemic on COVID-19-The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property plant and equipment, receivables, intangible assets, cash and cash equivalent and investments. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.
- 62 Previous year/period figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.



## ROUTE MAP

**Venue of the Annual General Meeting of the Company to be held on 29.09.2022 at 11:00 A.M at Kanak Building, 41 Chowringhee Road, Kolkata- 700071**

