

## **K R SOLVENT LLP**

**Address: LS No - 554, At - Utadi, Tal - Limbdi,  
Dist - Surendranagar - 363410**

## **TAX AUDIT REPORT**

### **Financial Year**

**1<sup>st</sup> April, 2022**

**To**

**31<sup>st</sup> March, 2023**

### **AUDITORS**

**M/s. S. P. Parekh & Co.**

**Chartered Accountants**

**201, Abhijyot Flats, Nr. Avanti Bungalows,  
Bileshwar Mahadev Road,  
Satellite, Ahmedabad - 380015.**

# K R SOLVENT LLP

## **PROFILE OF THE FIRM:**

The firm has been incorporated on 10<sup>th</sup> March, 2011 as a partnership firm and then converted into LLP in FY 2017-18. The firm is engaged in manufacturing of Cotton Seed Oil.

## **DESIGNATED PARTNERS:**

1. Mohamedhasanain Husenali Narsinh
2. Minazben Husenali Narsinh
3. Husenali yusufali Narsinh

## **BANKER**

1. State Bank of India

## **AUDITORS:**

S. P. Parekh & Co.  
Chartered Accountant  
201, Abhijyot Flat,  
Nr. Avanti Bungalows,  
Billeswar Mahadev Road,  
Satellite,  
Ahmedabad - 380015

## **REGISTERED OFFICE**

LS No - 554,  
At - Utadi,  
Tal - Limbdi,  
Surendranagar - 363410

**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**BALANCE SHEET AS AT 31ST MARCH, 2023**

(Rupees in.....)

| Particulars                               | Note No. | As at March 31,2023 | As at March 31,2022 |
|---|----------|---------------------|---------------------|
| <b>CAPITAL AND LIABILITIES:</b>           |          |                     |                     |
| <b>[1] Partners Contribution:</b>         |          |                     |                     |
| (a) Partners Contribution                 | 1        | 11,73,95,974        | 12,28,45,746        |
| (b) Reserves and Surplus                  | 2        | -                   | -                   |
| (c) Money received against share warrants |          | -                   | -                   |
|   |          | 11,73,95,974        | 12,28,45,746        |
| <b>[3] Non-current Liabilities:</b>       |          |                     |                     |
| (a) Long-term borrowings                  | 3        | 3,33,61,553         | 3,30,62,117         |
| (b) Deferred tax liabilities (Net)        | 4        | -                   | -                   |
| (c) Other long-term liabilities           | 5        | -                   | -                   |
| (d) Long-term provisions                  | 6        | -                   | -                   |
|   |          | 3,33,61,553         | 3,30,62,117         |
| <b>[4] Current Liabilities:</b>           |          |                     |                     |
| (a) Short-term borrowings                 | 7        | 13,24,63,182        | 14,13,82,006        |
| (b) Trade payables                        | 8        | 12,45,96,258        | 14,96,66,024        |
| (c) Other current liabilities             | 9        | 4,00,309            | 19,53,996           |
| (d) Short-term provisions                 | 10       | 32,12,071           | 22,70,570           |
|   |          | 26,06,71,821        | 29,52,72,596        |
| <b>TOTAL</b>                              |          | <b>41,14,29,348</b> | <b>45,11,80,459</b> |
| <b>ASSETS:</b>                            |          |                     |                     |
| <b>[1] Non-Current Assets:</b>            |          |                     |                     |
| (a) Fixed Assets                          | 11       |                     |                     |
| (i) Tangible assets                       |          | 3,30,61,493         | 3,76,05,048         |
| (ii) Intangible assets                    |          | -                   | -                   |
| (iii) Capital Work-in-Progress            |          | -                   | -                   |
|   |          | 3,30,61,493         | 3,76,05,048         |
| (b) Non-current investments               | 12       | 41,69,943           | 40,90,768           |
| (c) Deferred tax assets (Net)             |          | -                   | -                   |
| (d) Long-term loans and advances          | 13       | 4,12,509            | 4,11,759            |
| (e) Other non-current assets              | 14       | -                   | -                   |
|   |          | 45,82,452           | 45,02,527           |
| <b>[2] Current Assets:</b>                |          |                     |                     |
| (a) Current Investments                   | 15       | -                   | -                   |
| (b) Inventories                           | 16       | 23,80,58,473        | 23,83,17,055        |
| (c) Trade receivables                     | 17       | 6,54,88,329         | 12,64,87,445        |
| (d) Cash and cash equivalents             | 18       | 97,17,515           | 57,46,546           |
| (e) Short-term loans and advances         | 19       | 3,59,51,247         | 1,92,94,006         |
| (f) Other current assets                  | 20       | 2,45,69,839         | 1,92,27,832         |
|   |          | 37,37,85,402        | 40,90,72,884        |
| <b>TOTAL</b>                              |          | <b>41,14,29,348</b> | <b>45,11,80,459</b> |

Significant Accounting Policies

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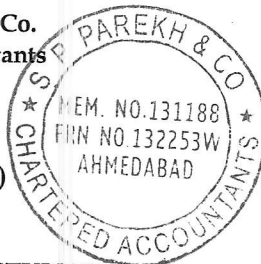
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Notes Forming Part of the Accounts

For, S.P. Parekh & Co.  
Chartered Accountants  
FRN -132253W

*S.P. Parekh*  
(CA Sunny Parekh)  
Proprietor  
M. No - 131188  
UDIN: 23131188BGTUIC7315  
Place: Ahmedabad  
Date : 31/08/2023



For and on behalf of the LLP

For, K R Solvent LLP

*H. H. H.*  
Designated Partner

Place: Limbdi  
Date : 31/08/2023

**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

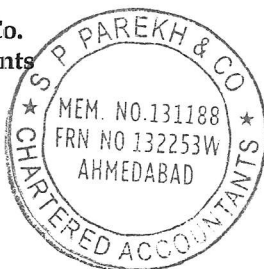
|   |          | (Rupees in.....)      |                       |
|---|----------|-----------------------|-----------------------|
| Particulars   | Note No. | 2022-2023             | 2021-2022             |
| I Revenue from Operations   | 21       | 1,45,16,77,372        | 1,17,77,57,586        |
| II Other income   | 22       | 4,67,430              | 1,12,541              |
| III Total Revenue (I+II)  |          | <b>1,45,21,44,801</b> | <b>1,17,78,70,127</b> |
| IV Expenses   |          |                       |                       |
| (a) Cost of Material consumed   | 23       | 1,28,27,04,926        | 98,50,26,904          |
| (b) Purchase of stock-in-trade  | 24       | -                     | -                     |
| (c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade | 25       | 72,20,257             | 2,92,94,408           |
| (d) Employee benefits expenses  | 26       | 2,41,26,830           | 2,82,78,429           |
| (d) Finance costs   | 27       | 1,43,41,310           | 1,48,70,652           |
| (d) Depreciation and amortization expenses  | 28       | 51,20,305             | 56,95,500             |
| (e) Other Expenses  | 29       | 11,03,34,573          | 11,04,58,242          |
| Total Expenses  |          | <b>1,44,38,48,202</b> | <b>1,17,36,24,135</b> |
| Profit/ (Loss) before exceptional and extraordinary items and Tax (III-IV)        |          | 82,96,600             | 42,45,991             |
| Exceptional Items/ Prior Period   |          | -                     | -                     |
| Excess Provision of Income Tax Written Off  |          | -                     | -                     |
| Profit before extraordinary items and Tax   |          | 82,96,600             | 42,45,991             |
| Extraordinary Items   |          | -                     | -                     |
| Profit before Tax   |          | 82,96,600             | 42,45,991             |
| Less: Provision for Taxation  |          |                       |                       |
| Current Tax   |          | 28,14,270             | 13,33,363             |
| Deferred Tax  |          | -                     | -                     |
| Profit from the period from continuing operations                                 |          | 54,82,330             | 29,12,628             |
| Profit from discontinuing operations  |          | -                     | -                     |
| Tax expense of discontinuing operations   |          | -                     | -                     |
| Profit from discontinuing operations  |          | -                     | -                     |
| Profit/(Loss) for the period  |          | <b>54,82,330</b>      | <b>29,12,628</b>      |

Significant Accounting Policies  
Notes Forming Part of the Accounts

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For, S.P. Parekh & Co.  
Chartered Accountants  
FRN -132253W

*S.P. Parekh*  
(CA Sunny Parekh)  
Proprietor  
M. No - 131188  
UDIN: 23131188BG TUIG7315  
Place: Ahmedabad  
Date : 31/08/2023



For and on behalf of the LLP

For, K R Solvent LLP

*H. K. Limbdi*  
Designated Partner

Place: Limbdi  
Date : 31/08/2023



**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

|   |          | (Rupees in)          |                      |
|---|----------|----------------------|----------------------|
| Particulars   | Note No. | 2022-2023            | 2021-2022            |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>             |          |                      |                      |
| Net Profit after Tax and Extraordinary Items              |          | 54,82,330            | 29,12,628            |
| Adjustments:  |          |                      |                      |
| Depreciation  |          | 51,20,305            | 56,95,500            |
| Provision for bad and doubtful debts                      |          | -                    | -                    |
| Interest Income   |          | 1,71,299             | 1,09,407             |
| Finance Cost  |          | 1,43,41,310          | 1,48,70,652          |
| Provision for Tax   |          | -                    | -                    |
| Deferred Tax  |          | -                    | -                    |
| Operating Profit before Working Capital Changes           |          | 2,47,72,646          | 2,33,69,374          |
| <u>Changes in Working Capital :</u>                       |          |                      |                      |
| Inventories   |          | 2,58,582             | 2,89,16,495          |
| Short Term loans and advances                             |          | (1,66,57,241)        | (59,94,011)          |
| Trade Receivables   |          | 6,09,99,116          | (2,67,62,627)        |
| Trade Payables  |          | (2,50,69,766)        | 5,04,05,572          |
| Short term Provision                                      |          | 9,41,501             | 13,47,237            |
| Other Current Asset                                       |          | (53,42,007)          | (16,51,265)          |
| Other Current Liabilities                                 |          | (15,53,687)          | 5,98,018             |
| Cash Generated from Current Assets                        |          | 1,35,76,499          | 4,68,59,419          |
| Direct Tax Paid   |          | -                    | -                    |
| <b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>        |          | <b>3,83,49,145</b>   | <b>7,02,28,792</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>             |          |                      |                      |
| Long term loan & advances & other non current assets      |          | (79,925)             | (21,20,348)          |
| Purchase of Fixed Assets & Capital WIP                    |          | (5,76,750)           | -                    |
| Interest Income from Investments                          |          | 1,71,299             | 1,09,407             |
| Other loans and advances                                  |          | -                    | -                    |
| Miscellaneous Expenditure                                 |          | -                    | -                    |
| Proceeds on sale of fixed assets                          |          | -                    | -                    |
| <b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>        |          | <b>(4,85,376)</b>    | <b>(20,10,941)</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>             |          |                      |                      |
| Proceeds from Share Capital                               |          | (1,09,32,102)        | (3,48,54,668)        |
| Proceeds from securities premium                          |          | -                    | -                    |
| Proceeds from Long Term Borrowings                        |          | 2,99,436             | 18,45,082            |
| Short Term Borrowings                                     |          | (89,18,824)          | (1,62,80,991)        |
| Finance Cost  |          | (1,43,41,310)        | (1,48,70,652)        |
| Proceeds from Share Applications Money Pending Allotments |          | -                    | -                    |
| Other Long term Liabilities                               |          | -                    | -                    |
| <b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>        |          | <b>(3,38,92,800)</b> | <b>(6,41,61,230)</b> |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>  |          | <b>39,70,969</b>     | <b>40,56,621</b>     |
| Cash and Cash Equivalents (Opening)                       |          | 57,46,546            | 16,89,924            |
| Cash and Cash Equivalents (Closing)                       |          | 97,17,515            | 57,46,546            |

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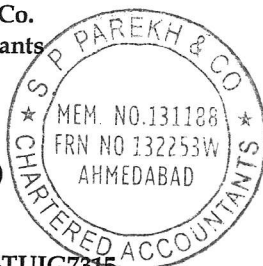
For and on behalf of the LLP

For, S.P. Parekh & Co.  
Chartered Accountants  
FRN -132253W

*S.P. Parekh*  
(CA Sunny Parekh)  
Proprietor

M. No - 131188  
UDIN: 23131188BGTUIG7315

Place: Ahmedabad  
Date : 31/08/2023



For, K R Solvent LLP

*K R Solvent*

Designated Partner

Place: Limbdi  
Date : 31/08/2023

**K R SOLVENT LLP**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**

**NOTE-2**  
**RESERVES AND SURPLUS:**

| Particulars                                      | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|--|--------------|------------------|------------------|
|  |              | Amount(Rs.)      | Amount(Rs.)      |
| <b>Surplus</b>                                   |              |                  |                  |
| Opening Balance                                  |              | -                | -                |
| (+) Net Profit / (Net Loss) for the current year |              | -                | -                |
| Closing Balance                                  |              | -                | -                |
| <b>Total</b>                                     |              | -                | -                |

**NOTE-3**  
**LONG TERM BORROWINGS:**

| Particulars   | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|---|--------------|------------------|------------------|
|   |              | Amount(Rs.)      | Amount(Rs.)      |
| <b>Secured</b>  |              |                  |                  |
| (A) Term Loans  |              |                  |                  |
| S.B.I. A/c No. 39541163868 Gec1                       |              | 7,98,408         | -                |
| (B) Deferred Payment liabilities                      |              | -                | -                |
| (C) Deposits  |              | -                | -                |
| (D) Loans and advances from related parties           |              | -                | -                |
| (E) Long term maturities of finance lease obligations |              | -                | -                |
| (F) Other loans and advances                          |              | -                | -                |
|   |              | 7,98,408         | -                |
| <b>Unsecured</b>                                      |              |                  |                  |
| (A) Bonds / debentures                                |              | -                | -                |
| (B) Term Loans  |              | -                | -                |
| (C) Deferred Payment liabilities                      |              | -                | -                |
| (D) Deposits  |              | -                | -                |
| (E) Loans and advances from related parties           |              | -                | 13,10,000        |
| (F) Long term maturities of finance lease obligations |              | -                | -                |
| (G) Other loans and advances                          |              | 3,25,63,145      | 3,17,52,117      |
|   |              | 3,25,63,145      | 3,30,62,117      |
| <b>Total</b>  |              | 3,33,61,553      | 3,30,62,117      |

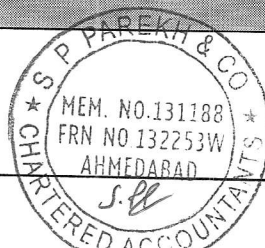
**NOTE-4**  
**DEFERRED TAX LIABILITIES(NET):**

Deferred Tax Liability for the period ended 31st March, 2023 has been provided on the estimated tax computation for the year. Major components of deferred tax liabilities arising on account of timing differences are :

| Particulars               | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|---------------------------|--------------|------------------|------------------|
|                           |              | Amount(Rs.)      | Amount(Rs.)      |
| Deferred Tax Liabilities  |              | -                | -                |
| Less: Deferred Tax Assets |              | -                | -                |
| <b>Total</b>              |              | -                | -                |

**NOTE-5**  
**OTHER LONG TERM LIABILITIES:**

| Particulars        | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|--------------------|--------------|------------------|------------------|
|                    |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Trade Payables |              | -                | -                |
| (b) Others         |              | -                | -                |
| <b>Total</b>       |              | -                | -                |



**NOTE-6****LONG TERM PROVISIONS:**

| Particulars                         | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------------|--------------|------------------|------------------|
|                                     |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Provision for employee benefits |              | -                | -                |
| (b) Others (Specify nature)         |              | -                | -                |
| <b>Total</b>                        |              | -                | -                |

**NOTE-7****SHORT TERM BORROWINGS:**

| Particulars  | Annexure No. | As at 31/03/2023                    | As at 31/03/2022                      |
|--|--------------|-------------------------------------|---------------------------------------|
|  |              | Amount(Rs.)                         | Amount(Rs.)                           |
| <b>Secured:</b>  |              |                                     |                                       |
| (a) Loans repayable on demand-CC Account Short term borrowing from SBI -33806533280 Limbdi S.B.I. (Wadhwan) CC A/c No. 31916722143 S.B.I. A/c No. 39541163868 Gecl S.B.I. CC A/c no. 39287715730 |              | -<br>12,37,99,182<br>86,64,000<br>- | -<br>12,32,16,587<br>1,81,65,419<br>- |
| (b) Loans and advances from related parties  |              | -                                   | -                                     |
| (c) Deposits   |              | -                                   | -                                     |
| (d) Other loans and advances   |              | -                                   | -                                     |
|  |              | 13,24,63,182                        | 14,13,82,006                          |
| <b>Unsecured:</b>  |              |                                     |                                       |
| (a) Loan from Directors  |              | -                                   | -                                     |
| (b) Loan from Relatives of Directors   |              | -                                   | -                                     |
| (c) Deposits   |              | -                                   | -                                     |
| (d) Other loans and advances   |              | -                                   | -                                     |
| <b>Total</b>   |              | 13,24,63,182                        | 14,13,82,006                          |

**Note 7.1**

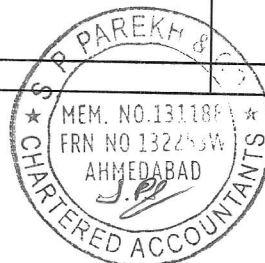
Working Capital Loans : Secured against hypothecation of present & future stock, receivables & all other Current assets of the company.

**NOTE-8****TRADE PAYABLES:**

| Particulars      | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|------------------|--------------|------------------|------------------|
|                  |              | Amount(Rs.)      | Amount(Rs.)      |
| Sundry Creditors |              | 12,45,96,258     | 14,96,66,024     |
| <b>Total</b>     |              | 12,45,96,258     | 14,96,66,024     |

**NOTE-9****OTHER CURRENT LIABILITIES:**

| Particulars             | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------|--------------|------------------|------------------|
|                         |              | Amount(Rs.)      | Amount(Rs.)      |
| Advances from customers |              | 1,44,925         | 87,442           |
| CGST payable            |              | 78,397           | 5,86,149         |
| TDS Payable             |              | 1,73,944         | 11,75,730        |
| TCS Payable             |              | 3,043            | 1,04,675         |
| <b>Total</b>            |              | 4,00,309         | 19,53,996        |



**NOTE-10****SHORT TERM PROVISIONS:**

| Particulars                               | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|---|--------------|------------------|------------------|
|   |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Provision for Employee benefits       |              | -                | -                |
| (b) Others (Specify nature)               |              |                  |                  |
| Unpaid Administration Charges             |              | 3,51,028         | 9,03,875         |
| Unpaid Employer's providend fund          |              | 16,773           | 3,332            |
| Provision for Income Tax for current year |              | 28,14,270        | 13,33,363        |
| Provision for Audit Fees                  |              | 30,000           | 30,000           |
| <b>Total</b>                              |              | <b>32,12,071</b> | <b>22,70,570</b> |

**NOTE-12****NON CURRENT INVESTMENTS:**

| Particulars           | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|-----------------------|--------------|------------------|------------------|
|                       |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Trade Investments |              | -                | -                |
| (b) Other Investments |              |                  |                  |
| SBI FD                |              | 21,69,943        | 20,90,768        |
| SBI Life insurance    |              | 20,00,000        | 20,00,000        |
| <b>Total</b>          |              | <b>41,69,943</b> | <b>40,90,768</b> |

**NOTE-13****LONG TERM LOANS AND ADVANCES:**

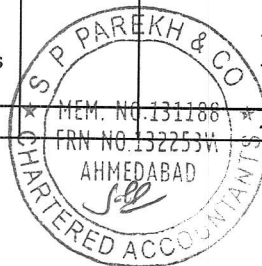
| Particulars                               | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|---|--------------|------------------|------------------|
|   |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Capital Advances                      |              | -                | -                |
| (b) Security Deposits                     |              |                  |                  |
| CCI Deposit                               |              | 77,909           | 77,159           |
| NSC                                       |              | 16,000           | 16,000           |
| EARNEST MONEY FOR PGVCL BG                |              | 3,18,600         | 3,18,600         |
| (c) Loans and advances to related parties |              | -                | -                |
| (d) Other loans and advances              |              | -                | -                |
| <b>Total</b>                              |              | <b>4,12,509</b>  | <b>4,11,759</b>  |

**NOTE- 14****OTHER NON CURRENT ASSETS:**

| Particulars                   | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------|--------------|------------------|------------------|
|                               |              | Amount(Rs.)      | Amount(Rs.)      |
| Deffered Factory License Fees |              | -                | -                |
| <b>Total</b>                  |              | <b>-</b>         | <b>-</b>         |

**NOTE- 15****CURRENT INVESTMENTS:**

| Particulars  | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|--|--------------|------------------|------------------|
|  |              | Amount(Rs.)      | Amount(Rs.)      |
| (a) Trade Investments                                      |              | -                | -                |
| (b) Other Investments                                      |              | -                | -                |
| <b>Total</b>   |              | <b>-</b>         | <b>-</b>         |
| Less: Provision for dimunation in the value of investments |              | -                | -                |
| <b>Total</b>   |              | <b>-</b>         | <b>-</b>         |



**NOTE-16**  
**INVENTORY:**

| Particulars  | Annexure No. | As at 31/03/2023    | As at 31/03/2022    |
|--|--------------|---------------------|---------------------|
|  |              | Amount(Rs.)         | Amount(Rs.)         |
| (A) Inventories:(As certified by the management)                                   |              |                     |                     |
| (a) Raw materials  |              | 2,79,01,118         | 2,09,39,443         |
| (b) Work-in-progress   |              | -                   | -                   |
| (c) Finished goods   |              | 20,83,61,355        | 21,58,20,612        |
| (d) Stores and Spares  |              | 17,96,000           | 15,57,000           |
|  |              | 23,80,58,473        | 23,83,17,055        |
| (B) Goods in transit shall be disclosed under the relevant sub head of inventories |              | -                   | -                   |
| <b>Total</b>   |              | <b>23,80,58,473</b> | <b>23,83,17,055</b> |

**NOTE-17**  
**TRADE RECEIVABLES**

| Particulars    | Annexure No. | As at 31/03/2023   | As at 31/03/2022    |
|----------------|--------------|--------------------|---------------------|
|                |              | Amount(Rs.)        | Amount(Rs.)         |
| Sundry Debtors |              | 6,54,88,329        | 12,64,87,445        |
| <b>Total</b>   |              | <b>6,54,88,329</b> | <b>12,64,87,445</b> |

**NOTE-18**  
**CASH AND CASH EQUIVALENTS:**

| Particulars   | Annexure No. | As at 31/03/2023 | As at 31/03/2022 |
|---|--------------|------------------|------------------|
|   |              | Amount(Rs.)      | Amount(Rs.)      |
| <u>Cash:</u><br>Cash on Hand                              |              | 4,87,523         | 4,69,814         |
| <u>Balances with Banks:</u><br>S.B.I 31671764393 (LIMBDI) |              | -                | 52,76,732        |
| S.B.I 33806533280 (LIMBDI)                                |              | 92,29,992        | -                |
| <b>Total</b>  |              | <b>97,17,515</b> | <b>57,46,546</b> |

**NOTE-19**  
**SHORT TERM LOANS AND ADVANCES :**

| Particulars                               | Annexure No. | As at 31/03/2023   | As at 31/03/2022   |
|---|--------------|--------------------|--------------------|
|   |              | Amount(Rs.)        | Amount(Rs.)        |
| (a) Loans and advances to related parties |              | -                  | -                  |
| (b) Other loans and advances              |              | 3,59,51,247        | 1,92,94,006        |
| <b>Total</b>                              |              | <b>3,59,51,247</b> | <b>1,92,94,006</b> |

**NOTE-20**  
**OTHER CURRENT ASSETS:**

| Particulars                     | Annexure No. | As at 31/03/2023   | As at 31/03/2022   |
|---------------------------------|--------------|--------------------|--------------------|
|                                 |              | Amount(Rs.)        | Amount(Rs.)        |
| Advances to suppliers           |              | 2,01,86,208        | 1,60,76,126        |
| SGST Receivable                 |              | 10,80,648          | -                  |
| IGST Receivable                 |              | 1,079              | -                  |
| Advance tax                     |              | 2,00,000           | -                  |
| Excess TDS Paid                 |              | 2,20,329           | -                  |
| TDS Receivable                  |              | 21,96,181          | 7,26,328           |
| TCS Receivable of Previous Year |              | 575                | 8,12,994           |
| Prepaid Insurance               |              | 5,78,695           | 6,75,049           |
| Income Tax Refundable           |              | 1,06,124           | 9,37,334           |
| <b>Total</b>                    |              | <b>2,45,69,839</b> | <b>1,92,27,832</b> |





**K R SOLVENT LLP**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023**

**NOTE - 21**

**REVENUE FROM OPERATIONS:**

| Particulars  | 2022-2023             | 2021-2022             |
|--------------|-----------------------|-----------------------|
| Sales        | 1,45,16,77,372        | 1,17,77,57,586        |
| <b>TOTAL</b> | <b>1,45,16,77,372</b> | <b>1,17,77,57,586</b> |

**NOTE - 22**

**OTHER INCOME:**

| Particulars                   | 2022-2023       | 2021-2022       |
|-------------------------------|-----------------|-----------------|
| Weight Loss                   | 5,052           | -               |
| CCI Rajkot Deposit Interest   | 1,500           | 3,000           |
| FD Interest                   | 1,11,619        | 1,06,407        |
| Vatav Kasar                   | 22,443          | 3,134           |
| Interest On Income Tax Refund | 58,180          | -               |
| Cash Discount                 | 2,29,247        | -               |
| Misc Income                   | 39,005          | -               |
| Round Off                     | 384             | -               |
| <b>TOTAL</b>                  | <b>4,67,430</b> | <b>1,12,541</b> |

**NOTE - 23**

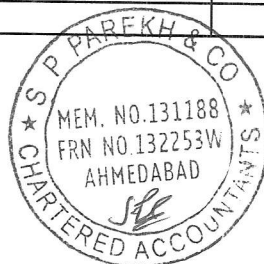
**COST OF MATERIAL CONSUMED:**

| Particulars           | 2022-2023             | 2021-2022           |
|-----------------------|-----------------------|---------------------|
| <b>Raw Materials:</b> |                       |                     |
| Opening Stock         | 2,09,39,443           | 2,05,61,530         |
| Add: Purchase         | 1,28,96,66,601        | 98,54,04,817        |
| Less: Closing Stock   | 2,79,01,118           | 2,09,39,443         |
| <b>TOTAL</b>          | <b>1,28,27,04,926</b> | <b>98,50,26,904</b> |

**NOTE - 24**

**PURCHASE OF STOCK-IN-TRADE**

| Particulars                | 2022-2023 | 2021-2022 |
|----------------------------|-----------|-----------|
| Purchase of stock in trade | -         | -         |
| <b>TOTAL</b>               | <b>-</b>  | <b>-</b>  |



**NOTE - 25****CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS  
AND STOCK-IN-TRADE**

| Particulars                                      | 2022-2023           | 2021-2022           |
|--|---------------------|---------------------|
| <b>Inventories at the end of the year:</b>       |                     |                     |
| Store and Spare                                  | 17,96,000           | 15,57,000           |
| Work-in-progress                                 | -                   | -                   |
| Finished Goods                                   | 20,83,61,355        | 21,58,20,612        |
| <b>TOTAL</b>                                     | <b>21,01,57,355</b> | <b>21,73,77,612</b> |
| <b>Inventories at the beginning of the year:</b> |                     |                     |
| Store and Spare                                  | 15,57,000           | 17,58,500           |
| Work-in-progress                                 | -                   | -                   |
| Finished Goods                                   | 21,58,20,612        | 24,49,13,520        |
| <b>TOTAL</b>                                     | <b>21,73,77,612</b> | <b>24,66,72,020</b> |
| <b>Net (Increase) / Decrease</b>                 | <b>72,20,257</b>    | <b>2,92,94,408</b>  |

**NOTE-26****EMPLOYEE BENEFITS EXPENSES:**

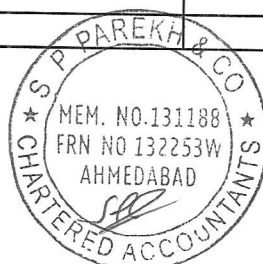
| Particulars                     | 2022-2023          | 2021-2022          |
|---------------------------------|--------------------|--------------------|
| Salaries & Bonus                | 1,33,37,749        | 1,24,18,202        |
| Majuri Expense                  | 98,17,409          | 1,25,34,954        |
| Remuneration to partners        | 9,00,000           | 33,00,000          |
| Employer Provident Fund Expense | 71,672             | 25,273             |
| <b>TOTAL</b>                    | <b>2,41,26,830</b> | <b>2,82,78,429</b> |

**NOTE-27****FINANCE COSTS :**

| Particulars             | 2022-2023          | 2021-2022          |
|-------------------------|--------------------|--------------------|
| SBI Interest Expense    | 1,02,06,796        | 1,10,70,634        |
| Bank Charges            | 5,16,164           | 4,90,909           |
| Unsecured Loan Interest | 28,27,810          | 28,72,919          |
| Interest other          | 7,90,540           | 4,36,190           |
| <b>TOTAL</b>            | <b>1,43,41,310</b> | <b>1,48,70,652</b> |

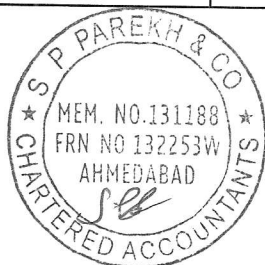
**NOTE-28****DEPRECIATION AND AMORTIZATION EXPENSES :**

| Particulars                       | 2022-2023        | 2021-2022        |
|-----------------------------------|------------------|------------------|
| Depreciation on Tangible Assets   | 51,20,305        | 56,95,500        |
| Amortisation on Intangible Assets | -                | -                |
| <b>TOTAL</b>                      | <b>51,20,305</b> | <b>56,95,500</b> |



**NOTE-29****OTHER EXPENSES:**

| Particulars                                 | 2022-2023           | 2021-2022           |
|---|---------------------|---------------------|
| <b>Direct Expenses:</b>                     |                     |                     |
| Electricity Expense                         | 1,95,22,819         | 1,57,29,227         |
| Bardan Expense                              | 2,31,51,234         | 2,25,95,217         |
| Firewood Expense                            | 1,14,96,248         | 1,11,93,304         |
| Sutli Expense                               | 12,33,934           | 4,83,276            |
| Kapasiya Kharajat                           | 98,71,414           | 66,44,310           |
| Quality Allowance                           | 6,41,248            | 4,66,996            |
| Woven Bag                                   | 28,03,788           | 36,30,920           |
| Boiler Exp.                                 | 4,76,790            | 10,26,400           |
| <b>Total(a)</b>                             | <b>6,91,97,475</b>  | <b>6,17,69,650</b>  |
| <b>Administration Expenses:</b>             |                     |                     |
| Bad Debt                                    | 9,72,572            | 2,70,66,400         |
| Car Repairing Exp                           | -                   | 3,51,776            |
| Commission                                  | 6,98,873            | 11,29,448           |
| GST Expense                                 | 28,54,150           | 57,439              |
| Audit Fees                                  | 80,000              | 55,000              |
| Building Repairing Expense                  | 6,40,486            | 38,141              |
| Canteen Expense                             | 53,085              | 25,093              |
| Donation                                    | 4,53,130            | -                   |
| Soda Settlement                             | 2,98,000            | -                   |
| Freight Outward Expense                     | 2,49,56,727         | 1,05,86,860         |
| Insurance Expense                           | 8,75,777            | 9,16,028            |
| Renewal Fees                                | 25,000              | -                   |
| Membership Fees                             | 20,000              | -                   |
| Parts Expense                               | 75,76,807           | 70,02,222           |
| Oil & Greece Expenses                       | 1,34,648            | 3,37,979            |
| Office Expense                              | 1,44,283            | 12,066              |
| Professional Fees                           | 1,62,260            | 80,000              |
| Repair & Maintenance                        | 7,81,290            | 6,55,985            |
| Rent Expense                                | 60,000              | 60,000              |
| R.O.C Exp                                   | 10,000              | -                   |
| Rate Difference                             | 15,137              | -                   |
| Round off                                   | -                   | 17                  |
| Stationery Expense                          | 37,750              | 10,880              |
| T.D.S. Interest                             | 2,27,594            | 12,298              |
| TCS Interest                                | 430                 | 9,309               |
| Water Expense                               |                     |                     |
| <b>Total(b)</b>                             | <b>4,10,77,999</b>  | <b>4,84,06,941</b>  |
| <b>Selling &amp; Distribution Expenses:</b> |                     |                     |
| Travelling Expense                          | 59,099              | 2,81,650            |
| <b>Total(c)</b>                             | <b>59,099</b>       | <b>2,81,650</b>     |
| <b>TOTAL(a+b+c)</b>                         | <b>11,03,34,573</b> | <b>11,04,58,242</b> |





K R SOLVENT LLP  
SCHEDULE '11' FIXED ASSETS

| PARTICULARS                     | Rate (%) | Opening Balance as on 01.04.2022 | Addition during Year Before Sept | Addition during Year After Sept | Adjustment during the year | Total              | Depreciation     | Additional Depreciation | Closing Balance as on 31.03.2023 |
|---------------------------------|----------|----------------------------------|----------------------------------|---------------------------------|----------------------------|--------------------|------------------|-------------------------|----------------------------------|
| Electrict Fittings              | 10%      | 25,30,313                        | -                                | -                               | -                          | 25,30,313          | 2,53,031         | -                       | 22,77,282                        |
| Deleting Machine                | 15%      | 72,92,645                        | -                                | -                               | -                          | 72,92,645          | 10,93,897        | -                       | 61,98,748                        |
| Drill Machine                   | 15%      | 98                               | -                                | -                               | -                          | 98                 | 15               | -                       | 83                               |
| Fan                             | 15%      | 3,549                            | -                                | -                               | -                          | 3,549              | 532              | -                       | 3,017                            |
| Press Machine                   | 15%      | 1,24,745                         | -                                | -                               | -                          | 1,24,745           | 18,712           | -                       | 1,06,033                         |
| Chimani                         | 15%      | 25,155                           | -                                | -                               | -                          | 25,155             | 3,773            | -                       | 21,381                           |
| Oil Mill Machine                | 15%      | 19,95,376                        | -                                | -                               | -                          | 19,95,376          | 2,99,306         | -                       | 16,96,070                        |
| Oil Strage Main                 | 15%      | 3,29,422                         | -                                | -                               | -                          | 3,29,422           | 49,413           | -                       | 2,80,009                         |
| Building                        | 10%      | 1,11,98,060                      | -                                | -                               | -                          | 1,11,98,060        | 11,19,806        | -                       | 1,00,78,254                      |
| Boiler                          | 15%      | 6,61,465                         | -                                | -                               | -                          | 6,61,465           | 99,220           | -                       | 5,62,245                         |
| Leader                          | 15%      | 4,006                            | -                                | -                               | -                          | 4,006              | 601              | -                       | 3,405                            |
| Laboratory Machine              | 15%      | 1,67,176                         | -                                | -                               | -                          | 1,67,176           | 25,076           | -                       | 1,42,100                         |
| Water Softing Machine           | 15%      | 21,225                           | -                                | -                               | -                          | 21,225             | 3,184            | -                       | 18,041                           |
| Staker                          | 15%      | 91,659                           | -                                | -                               | -                          | 91,659             | 13,749           | -                       | 77,910                           |
| Solvent                         | 15%      | 35,18,422                        | -                                | -                               | -                          | 35,18,422          | 5,27,763         | -                       | 29,90,659                        |
| Conveyor Elevator               | 15%      | 3,58,762                         | -                                | -                               | -                          | 3,58,762           | 53,814           | -                       | 3,04,948                         |
| Weighning Scale                 | 15%      | 1,21,467                         | -                                | -                               | -                          | 1,21,467           | 18,220           | -                       | 1,03,247                         |
| Fire Safety                     | 15%      | 4,712                            | -                                | -                               | -                          | 4,712              | 707              | -                       | 4,005                            |
| Laboratory Machine (DOC)        | 15%      | 56,729                           | -                                | -                               | -                          | 56,729             | 8,509            | -                       | 48,220                           |
| Machinery ( Delating - BMC)     | 15%      | 21,788                           | -                                | -                               | -                          | 21,788             | 3,268            | -                       | 18,520                           |
| Machinery OGS (BMC)             | 15%      | 19,28,270                        | -                                | -                               | -                          | 19,28,270          | 2,89,241         | -                       | 16,39,030                        |
| Screw Convier                   | 15%      | 14,30,228                        | -                                | -                               | -                          | 14,30,228          | 2,14,534         | -                       | 12,15,694                        |
| Machinery (BMC)                 | 15%      | 25,140                           | -                                | -                               | -                          | 25,140             | 3,771            | -                       | 21,369                           |
| GL63 AMG(Mercedez Car)          | 15%      | 27,55,107                        | -                                | -                               | -                          | 27,55,107          | 4,13,266         | -                       | 23,41,841                        |
| Electrict Fittings (BMC)        | 10%      | 4,18,758                         | -                                | -                               | -                          | 4,18,758           | 41,876           | -                       | 3,76,882                         |
| Hydrolic Machine                | 15%      | 23,99,804                        | -                                | -                               | -                          | 23,99,804          | 3,59,971         | -                       | 20,39,833                        |
| Cooling Tower Components        | 15%      | -                                | 2,68,000                         | -                               | -                          | 2,68,000           | 40,200           | 53,600                  | 1,74,200                         |
| Digital Data Processing Machine | 15%      | -                                | 3,08,750                         | -                               | -                          | 3,08,750           | 46,313           | 61,750                  | 2,00,688                         |
| Land                            | 0%       | 1,13,000                         | -                                | -                               | -                          | 1,13,000           | -                | -                       | 1,13,000                         |
| Computer Purchase               | 40%      | 7,967                            | -                                | -                               | -                          | 7,967              | 3,187            | -                       | 4,780                            |
| <b>TOTAL</b>                    |          | <b>3,76,05,048</b>               | <b>5,76,750</b>                  |                                 | <b>-</b>                   | <b>3,81,81,798</b> | <b>50,04,955</b> | <b>1,15,350</b>         | <b>3,30,61,493</b>               |



**K R SOLVENT****COMPUTATION OF PARTNERS' REMUNERATION INADMISSABLE U/S 40(b) / 40(ba)****FINANCIAL YEAR 2022-23**

1

| Sr No. | Particulars   | Amount (Rs.) |
|--------|---|--------------|
| 1      | Net profit as per Profit & Loss a/c   | 82,96,600    |
|        | Add: Interest on capital to partners disallowed u/s 40(b)                       | -            |
|        | Add: Depreciation as per Book   | 51,20,305    |
|        | Add: Remuneration paid to Partners  | 9,00,000     |
|        |   | 1,43,16,905  |
|        | Less: Depreciation allowable u/s 32   | 51,20,305    |
|        | Book Profit   | 91,96,600    |
| 2      | Remuneration allowable :  |              |
|        | In case of Loss or  | 1,50,000     |
|        | In case of profit - On first Rs.300000 @ 90% or Rs. 150000<br>whichever is more | 2,70,000     |
|        | On Balance @ 60%  | 53,37,960    |
|        | Total Remuneration allowable  | 56,07,960    |
|        | Remuneration paid to Partners   | 9,00,000     |
| 3      | Therefore, Remuneration disallowable  | -            |



## K R SOLVENT LLP

Address: LS No. 554, At - Utadi,  
Tal - Limbdi, Dist - Surendranagar 363410.

Notes forming part of the accounts for the year ended as on 31<sup>st</sup> March 2023.

### 1. Significant Accounting Policies :-

#### Method of Accounting:-

- a) The assessee follows the Mercantile Accounting System.
- b) The accounts are prepared based on the principles of historical cost & Going concern, accounting policies not specifically referred to otherwise, are consistent with generally accepted accounting principles.

#### c) Sundry Debtors, Loans & Advances :-

Sundry Debtors, sundry Creditors, Loans & Advances, Deposits are stated at the value if realized in the ordinary course of business, Irrecoverable amounts, if any, are accounted and/or provided for as per management judgment only upon final settlement of Accounts with the parties.

#### d) Retirement Benefits :-

Retirement Benefits, if any payable to employees are accounted on actual payment basis.

#### e) Contingent Liabilities:-

Contingent Liabilities of Rs. 9,30,852.00 towards Kisan Dairy Limited due to prosecution filed on dated 12.04.2017.

#### f) Fixed Assets :-

Fixed assets are stated at written down value as per Income Tax Act, 1961. The Fixed Assets are recorded at cost including incidental charges paid for acquisition and made ready to use. Depreciation is provided on Fixed Assets as per the rates applicable under Income Tax Act 1961.



g) **Revenue Recognition:**

The firm earns and recognizes the income on accrual basis. The revenue is recognized when it is earned and no significant uncertainty exists as to its ultimate realization or collection.

h) **Expenses:**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities. Though there is bad debts of Rs. 972572/- for which provision has not been made and we are unable to comment whether the same is actual or not in absence of documents provided to us by the management.

i) **Investments:**

Current Investments are carried at lower of the cost or quoted/ fair value. Long Term Investments are stated at cost. Provision for diminution in the value of the Long Term Investments is made only if such a decline is other than temporary.

j) **Inventory:**

Inventory has been valued at Cost and Net Realizable Value whichever is Lower. Cost comprises costs of purchase, conversion cost and cost incurred in bringing the inventories to present location.

The same has not been physically verified by us and we relied upon certificate provided by the management.

k) **Foreign Currency Transaction:**

There is no foreign currency transaction during the year.

l) **Borrowing Cost:**

There is no Qualifying assets purchased during the year.

2. **Notes to accounts:-**

- a) Balance in respect of sundry creditors, sundry debtors, Loans & Advances and deposits are as per information provided and are subject to confirmation.
- b) No personal expenses of partners are debited in the profit & loss Account.
- c) It has been certified by the assessee that cheques issued during the year were all account payee cheques wheresoever it was required.



- d) Cash on hand is taken as certified by assessee.
- e) Audit report covers Business Transactions recorded in the Books of Business set only.
- f) Related party transactions are as below:

| Sr.No. | Party name                        | Nature of Transactions | Relation           | Amount(Rs.) |
|--------|-----------------------------------|------------------------|--------------------|-------------|
| 1      | Milan Gining Pressing Pvt Ltd     | Sales (without tax)    | Group Concern      | 240536851/- |
| 2      | Milan Gining Pressing Pvt Ltd     | Purchase (without tax) | Group Concern      | 340451419/- |
| 3      | Bharat Industries                 | Rent Expense           | Group Concern      | 60000/-     |
| 4      | Husenali Musufali Narsinh         | Remuneration           | Designated Partner | 300000/-    |
| 5      | Mohamed hasanain Husenali Narsinh | Remuneration           | Designated Partner | 300000/-    |
| 6      | Minazben Husenali Narsinh         | Remuneration           | Designated Partner | 300000/-    |
| 7      | Fatema Mohmadhasnen Narsinh       | Loan repaid            | Partner's relative | 9610000/-   |
| 8      | Fatema M Narsinh                  | Loan taken             | Partner's relative | 8300000/-   |
| 9      | Fatema Mohmadhasnen Narsinh       | Loan Given             | Partner's relative | 1390000/-   |
| 10     | Mevishben Narsinh                 | Loan Given             | Partner's relative | 2154230/-   |
| 11     | Loan repaid                       | Loan repaid            | Partner's relative | 1000000/-   |
|        |                                   |                        |                    |             |

Related party and transactions with them are as identified by the management and relied upon by the auditor.



3. The Following amounts are being remited directly by Government of india on account of ABRYin F.Y 2022-23:

| Sr.No | Month     | Employer Share (Rs.) | Employee Share (Rs.) |
|-------|-----------|----------------------|----------------------|
| 1     | April     | 9269                 | 9269                 |
| 2     | May       | 8778                 | 8778                 |
| 3     | June      | 8448                 | 8448                 |
| 4     | July      | 8442                 | 8442                 |
| 5     | August    | 7258                 | 7258                 |
| 6     | September | 0                    | 0                    |
| 7     | October   | 7054                 | 7054                 |
| 8     | November  | 4072                 | 4072                 |
| 9     | December  | 4600                 | 4600                 |
| 10    | January   | 3450                 | 3450                 |
| 11    | February  | 3312                 | 3312                 |
| 12    | March     | 2434                 | 2434                 |

For, S. P. Parekh & Co.

Chartered Accountants

FRN: 132253W

*S. P. Parekh*  
CA Sunny Parekh

M.No.131188

Proprietor

UDIN: 23131188BGTUIG7315

Place: Ahmedabad

Date: 31/08/2023



For, K R Solvent LLP

*H. Hing*

Designated Partner

Place: Limbdi

Date: 31/08/2023