



## **K R SOLVENT LLP**

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

# **STATUTORY AUDIT REPORT**

### **Financial Year**

1<sup>st</sup> April, 2023

To

31<sup>st</sup> March, 2024

### **AUDITORS**

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

**Chartered Accountants**

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



## S.P. PAREKH & Co.

CHARTERED ACCOUNTANTS

Address : H-302, Titanium City Center,  
Near Sachin Tower, 100 Feet Anandnagar Road,  
Satellite, Ahmedabad - 380 015.

Mob.: 91 98257 61041, E-mail : parekhparekhass@gmail.com

### Independent Auditor's Report

To the Partners,

K R Solvent LLP

#### Report on the Financial Statements

##### Opinion:

We have audited the accompanying AS financial statements of "K R Solvent LLP" ("the limited liability partnership") which comprise the Balance Sheet as at March 31<sup>st</sup>, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information.

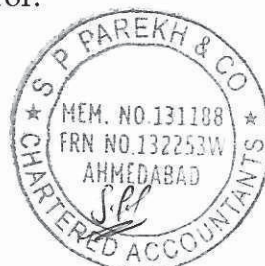
In our opinion, the accompanying financial statements give a true and fair view of the financial position of the LLP as at 31<sup>st</sup> March 2024 and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India ("ICAI").

##### Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent auditor of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in India and we have fulfilled our other 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.

##### Responsibilities of Management for the Financial Statements:

The LLP's Management (designated partners) are responsible for the preparation of the financial statements in accordance with the Rule 24 of the Limited Liability Partnership Rules, 2009 ("the Rules") and for such internal control as management determines is necessary to enable the preparation of the Statement of Accounts that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, designated partners are responsible for assessing the LLP'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 LLP or to cease operations or has no realistic alternative but to do so.

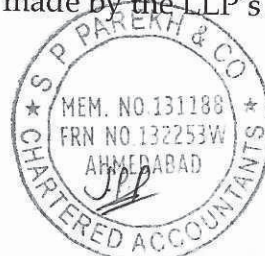
Management is also responsible for overseeing the LLP's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the Statement of Accounts, 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, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the LLP's Management.



- Conclude on the appropriateness of the LLP's Management 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 LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement 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 auditors' report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

We communicate with the LLP's Management 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.

Place: Ahmedabad

Date: 11/07/2024



For, S. P. Parekh & Co.  
Chartered Accountants

FRN -132253W

UDIN: 24131188BKEQKC3548

*S. P. Parekh*

(CA Sunny Parekh)

Proprietor

M. No - 131188

**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**BALANCE SHEET AS AT 31ST MARCH, 2024**

(Rupees in.....)

Particulars		Note No.	As at March 31,2024		(Rupees in.....) As at March 31,2023	
<b><u>CAPITAL AND LIABILITIES:</u></b>						
<b><u>[1] Partners Contribution:</u></b>						
(a) Partners Contribution		1	7,70,00,309		11,73,95,974	
(b) Reserves and Surplus		2	-		-	
(c) Money received against share warrants			-		-	
				7,70,00,309		11,73,95,974
<b><u>[3] Non-current Liabilities:</u></b>						
(a) Long-term borrowings		3	9,15,01,712		3,33,61,553	
(b) Deferred tax liabilities (Net)		4	-		-	
(c) Other long-term liabilities		5	-		-	
(d) Long-term provisions		6	-		-	
				9,15,01,712		3,33,61,553
<b><u>[4] Current Liabilities:</u></b>						
(a) Short-term borrowings		7	11,75,99,700		13,24,63,182	
(b) Trade payables		8	11,61,22,554		12,45,96,258	
(c) Other current liabilities		9	9,05,686		4,00,309	
(d) Short-term provisions		10	20,55,920		32,12,071	
				23,66,83,860		26,06,71,821
<b>TOTAL</b>				<b>40,51,85,880</b>		<b>41,14,29,348</b>
<b><u>ASSETS :</u></b>						
<b><u>[1] Non-Current Assets:</u></b>						
(a) Fixed Assets		11				
(i) Tangible assets			2,95,17,550		3,30,61,493	
(ii) Intangible assets			-		-	
(iii) Capital Work-in-Progress			-		-	
				2,95,17,550		3,30,61,493
(b) Non-current investments		12	42,90,923		41,69,943	
(c) Deferred tax assets (Net)			-		-	
(d) Long-term loans and advances		13	9,12,509		4,12,509	
(e) Other non-current assets		14	-		-	
				52,03,432		45,82,452
<b><u>[2] Current Assets:</u></b>						
(a) Current Investments		15	-		-	
(b) Inventories		16	23,83,80,928		23,80,58,473	
(c) Trade receivables		17	5,76,92,940		6,54,88,329	
(d) Cash and cash equivalents		18	28,00,394		97,17,515	
(e) Short-term loans and advances		19	5,02,63,221		3,59,51,247	
(f) Other current assets		20	2,13,27,415		2,45,69,839	
				37,04,64,899		37,37,85,402
<b>TOTAL</b>				<b>40,51,85,881</b>		<b>41,14,29,348</b>

Significant Accounting Policies

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Notes Forming Part of the Accounts

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

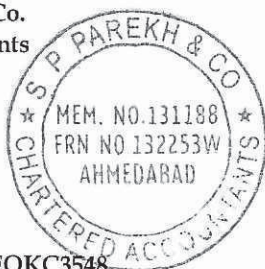
(CA Sunny Parekh)  
Proprietor

M. No - 131188

UDIN: 24131188BKQK3548

Place: Ahmedabad

Date : 11/07/2024



For and on behalf of the LLP

For, K R Solvent LLP

Designated Partner

Place: Limbdi

Date : 11/07/2024

**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024**

(Rupees in.....)				
Particulars	Note No.	2023-2024		2022-2023
		01.04.23 to 21.03.24	22.04.24 to 31.03.24	
I Revenue from Operations	21	1,20,99,25,931	2,13,89,199	1,45,16,77,372
II Other income	22	1,31,849	5,23,301	4,67,430
III Total Revenue (I+II)		<b>1,21,00,57,781</b>	<b>2,19,12,500</b>	<b>1,45,21,44,801</b>
IV Expenses				
(a) Cost of Material consumed	23	1,06,29,77,128	2,05,34,152	1,28,27,04,926
(b) Purchase of stock-in-trade	24	-	-	-
(c) Changes in inventories of finished goods, Work-in-progress and stock-in-trade	25	1,00,07,774	(11,80,389)	72,20,257
(d) Employee benefits expenses	26	2,35,45,190	4,27,555	2,41,26,830
(d) Finance costs	27	1,54,59,030	4,68,959	1,43,41,310
(d) Depreciation and amortization expenses	28	45,88,393	1,29,250	51,20,305
(e) Other Expenses	29	8,85,97,657	14,39,874	11,03,34,573
Total Expenses		<b>1,20,51,75,171</b>	<b>2,18,19,401</b>	<b>1,44,38,48,202</b>
Profit / (Loss) before exceptional and extraordinary items and Tax (III-IV)		48,82,609	93,099	82,96,600
Exceptional Items/Prior Period		-	-	-
Excess Provision of Income Tax Written Off		-	-	-
Profit before extraordinary items and Tax		48,82,609	93,099	82,96,600
Extraordinary Items		-	-	-
Profit before Tax		48,82,609	93,099	82,96,600
Less:Provision for Taxation				
Current Tax		19,65,719	37,481	28,14,270
Deferred Tax		-	-	-
Profit from the period from continuing operations		29,16,891	55,618	54,82,330
Profit from discontinuing operations		-	-	-
Tax expense of discontinuing operations		-	-	-
Profit from discontinuing operations		-	-	-
Profit/(Loss) for the period		<b>29,16,891</b>	<b>55,618</b>	<b>54,82,330</b>

Significant Accounting Policies  
Notes Forming Part of the Accounts

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For and on behalf of the LLP

For, K R Solvent LLP

*[Signature]*

Designated Partner

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

*[Signature]*

(CA Sunny Parekh)

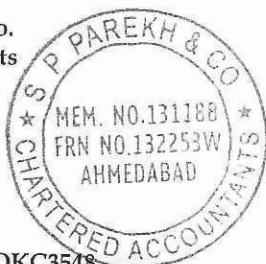
Proprietor

M. No - 131188

UDIN: 24131188BKEQKC3548

Place: Ahmedabad

Date : 11/07/2024



Place: Limbdi

Date : 11/07/2024

**K R SOLVENT LLP**  
**LLP PIN :AAM-0919**  
**CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

		(Rupees in)	
Particulars	Note No.	2023-2024	2022-2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after Tax and Extraordinary Items		29,72,509	54,82,330
Adjustments:			
Depreciation		47,17,643	51,20,305
Provision for bad and doubtful debts		-	-
Interest Income		1,34,424	1,71,299
Finance Cost		1,59,27,988	1,43,41,310
Provision for Tax		-	-
Deferred Tax		-	-
Operating Profit before Working Capital Changes		2,34,83,716	2,47,72,646
<u>Changes in Working Capital :</u>			
Inventories		(3,22,455)	2,58,582
Short Term loans and advances		(1,43,11,974)	(1,66,57,241)
Trade Receivables		77,95,388	6,09,99,116
Trade Payables		(84,73,704)	(2,50,69,766)
Short term Provision		(11,56,151)	9,41,501
Other Current Assest		32,42,424	(53,42,007)
Other Current Liabilities		5,05,377	(15,53,687)
Cash Generated from Current Assets		(1,27,21,095)	1,35,76,499
Direct Tax Paid		-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		1,07,62,621	3,83,49,145
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Long term loan & advances & other non current assets		(6,20,980)	(79,925)
Purchase of Fixed Assets & Capital WIP		(11,73,700)	(5,76,750)
Interest Income from Investments		1,34,424	1,71,299
Other loans and advances		-	-
Miscellaneous Expenditure		-	-
Proceeds on sale of fixed assets		-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>		(16,60,256)	(4,85,376)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Share Capital		(4,33,68,173)	(1,09,32,102)
Proceeds from securities premium		-	-
Proceeds from Long Term Borrowings		5,81,40,159	2,99,436
Short Term Borrowings		(1,48,63,482)	(89,18,824)
Finance Cost		(1,59,27,988)	(1,43,41,310)
Proceeds from Share Applications Money Pending Allotments		-	-
Other Long term Liabilities		-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>		(1,60,19,485)	(3,38,92,800)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		(69,17,120)	39,70,969
Cash and Cash Equilents (Opening)		97,17,514	57,46,546
Cash and Cash Equilents (Closing)		28,00,394	97,17,515

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For and on behalf of the LLP

For, K R Solvent LLP

Sunny Parekh

Designated Partner

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

*S. Parekh*

(CA Sunny Parekh)  
Proprietor

M. No - 131188

UDIN: 24131188BKEQKC3548

Place: Ahmedabad

Date : 11/07/2024



Place: Limbdi

Date : 11/07/2024

**K R SOLVENT LLP**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2024**

**NOTE-1**

**SCHEDULE : '1A' PARTNERS FIXED CAPITAL**

Sr No	Name	Fixed Contribution
1	Milan Ginning Pressing Pvt Ltd	6,75,00,000
2	Husenali Yusufali Narsinh	37,50,000
3	Mohamedhasanain Husenali Narsinh	37,50,000
Total		7,50,00,000

**SCHEDULE : '1B' PARTNERS CURRENT CONTRIBUTION**

Sr No	Name	Profit Sharing Ratio	Opening Balance	Addition/ Remuneration/ Interest	Profit / Loss	Withdrawal	Closing Balance
1	Milan Ginning Pressing Pvt Ltd	90.00	-	-	50,056	-	50,056
2	Husenali Yusufali Narsinh	5.00	1,94,02,428	3,45,79,011	9,75,272	5,39,81,439	9,75,272
3	Mohamedhasanain Husenali Narsinh	5.00	2,17,40,922	3,31,38,000	9,74,981	5,48,78,922	9,74,980
4	Minazben Hushenali Narsinh	-	(3,37,47,377)	6,45,23,000	9,72,200	3,17,47,823	(0)
Total		100	73,95,973	13,22,40,011	29,72,509	14,06,08,184	20,00,309



**K R SOLVENT LLP**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2024**

**NOTE-2**

**RESERVES AND SURPLUS:**

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		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:**

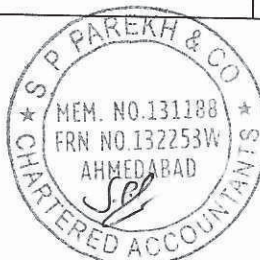
Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
<b>Secured</b>			
(A) Term Loans			
S.B.I. A/c No. 39541163868 GECL		-	7,98,408
(B) Deferred Payment liabilities		-	-
(C) Deposits		-	-
(D) Loans and advances from related parties		-	-
(E) Long term maturities of finance 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		-	-
(F) Long term maturities of finance lease obligations		-	-
(G) Other loans and advances		9,15,01,712	3,25,63,145
		9,15,01,712	3,25,63,145
<b>Total</b>		9,15,01,712	3,33,61,553

**NOTE-4**

**DEFERRED TAX LIABILITIES(NET):**

Deferred Tax Liability for the period ended 31st March, 2024 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 31/03/2024 Amount(Rs.)	As at 31/03/2023 Amount(Rs.)
Deferred Tax Liabilities		-	-
Less: Deferred Tax Assets		-	-
<b>Total</b>		-	-



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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
(a) Trade Payables		-	-
(b) Others		-	-
<b>Total</b>		-	-

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		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 31/03/2024	As at 31/03/2023
		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		11,68,70,327	12,37,99,182
S.B.I. A/c No. 39541163868 GECL		7,29,373	86,64,000
S.B.I. CC A/c no. 39287715730		-	-
(b) Loans and advances from related parties		-	-
(c) Deposits		-	-
(d) Other loans and advances		-	-
		11,75,99,700	13,24,63,182
<b>Unsecured:</b>			
(a) Loan from Directors		-	-
(b) Loan from Relatives of Directors		-	-
(c) Deposits		-	-
(d) Other loans and advances		-	-
<b>Total</b>		11,75,99,700	13,24,63,182

**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 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
Sundry Creditors		11,61,22,554	12,45,96,258
<b>Total</b>		11,61,22,554	12,45,96,258



K R SOLVENT LLP  
SCHEDULE '11' FIXED ASSETS

PARTICULARS	Rate (%)	Opening Balance as on 01.04.2023	Addition during Year Before Sept	Addition during Year After Sept	Adjustment during the year	Total	Depreciation	Additional Depreciation	Closing Balance as on 31.03.2024
Electrict Fittings	10%	22,77,282	-	-	-	22,77,282	2,27,728	-	20,49,553
Deleting Machine	15%	61,98,748	-	-	-	61,98,748	9,29,812	-	52,68,936
Drill Machine	15%	83	-	-	-	83	12	-	70
Fan	15%	3,017	-	-	-	3,017	452	-	2,564
Press Machine	15%	1,06,033	-	-	-	1,06,033	15,905	-	90,128
Chimani	15%	21,381	-	-	-	21,381	3,207	-	18,174
Oil Mill Machine	15%	16,96,070	-	-	-	16,96,070	2,54,410	-	14,41,659
Oil Strage Main	15%	2,80,009	-	-	-	2,80,009	42,001	-	2,38,008
Building	10%	1,00,78,254	-	-	-	1,00,78,254	10,07,825	-	90,70,429
Boiler	15%	5,62,245	-	-	-	5,62,245	84,337	-	4,77,908
Leader	15%	3,405	-	-	-	3,405	511	-	2,895
Laboratory Machine	15%	1,42,100	-	-	-	1,42,100	21,315	-	1,20,785
Water Softing Machine	15%	18,041	-	-	-	18,041	2,706	-	15,335
Staker	15%	77,910	-	-	-	77,910	11,687	-	66,224
Solvent	15%	29,90,659	-	-	-	29,90,659	4,48,599	-	25,42,060
Conveyor Elevator	15%	3,04,948	-	-	-	3,04,948	45,742	-	2,59,206
Weighning Scale	15%	1,03,247	-	-	-	1,03,247	15,487	-	87,760
Fire Safety	15%	4,005	-	-	-	4,005	601	-	3,405
Laboratory Machine (DOC)	15%	48,220	-	-	-	48,220	7,233	-	40,987
Machinery ( Delating - BMC)	15%	18,520	-	-	-	18,520	2,778	-	15,742
Machinery OGS (BMC)	15%	16,39,030	-	-	-	16,39,030	2,45,854	-	13,93,175
Screw Convier	15%	12,15,694	-	-	-	12,15,694	1,82,354	-	10,33,340
Machinery (BMC)	15%	21,369	-	-	-	21,369	3,205	-	18,164
GL63 AMG(Mercedez Car)	15%	23,41,841	-	-	-	23,41,841	3,51,276	-	19,90,565
Electrict Fittings (BMC)	10%	3,76,882	-	-	-	3,76,882	37,688	-	3,39,194
Hydrolic Machine	15%	20,39,833	-	-	-	20,39,833	3,05,975	-	17,33,858
Cooling Tower Components	15%	1,74,200	-	-	-	1,74,200	26,130	-	1,48,070
Digital Data Processing Machine	15%	2,00,688	-	-	-	2,00,688	30,103	-	1,70,584
Land	0%	1,13,000	-	-	-	1,13,000	-	-	1,13,000
Husk Horizontal Bailing Press Machine	15%	-	11,73,700	-	-	11,73,700	1,76,055	2,34,740	7,62,905
Computer Purchase	40%	4,780	-	-	-	4,780	1,912	-	2,868
<b>TOTAL</b>		<b>3,30,61,493</b>	<b>11,73,700</b>			<b>3,42,35,193</b>	<b>44,82,903</b>	<b>2,34,740</b>	<b>2,95,17,550</b>



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

Particulars	Annexure No.	As at 31/03/2024 Amount(Rs.)	As at 31/03/2023 Amount(Rs.)
Advances from customers		7,39,559	1,44,925
CGST payable		-	78,397
IGST Payable		64,599	-
TDS Payable		1,01,368	1,73,944
TCS Payable		160	3,043
<b>Total</b>		<b>9,05,686</b>	<b>4,00,309</b>

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

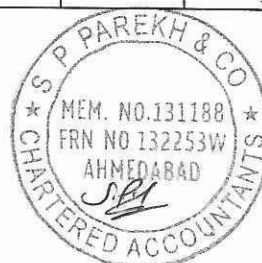
Particulars	Annexure No.	As at 31/03/2024 Amount(Rs.)	As at 31/03/2023 Amount(Rs.)
(a) Provision for Employee benefits		-	-
(b) Others (Specify nature)			
Unpaid Administration Charges		-	3,51,028
Unpaid Employer's providend fund		22,720	16,773
Provision for Income Tax for current year		20,03,200	28,14,270
Provision for Audit Fees		30,000	30,000
<b>Total</b>		<b>20,55,920</b>	<b>32,12,071</b>

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

Particulars	Annexure No.	As at 31/03/2024 Amount(Rs.)	As at 31/03/2023 Amount(Rs.)
(a) Trade Investments		-	-
(b) Other Investments			
SBI FD		22,90,923	21,69,943
SBI Life insurance		20,00,000	20,00,000
<b>Total</b>		<b>42,90,923</b>	<b>41,69,943</b>

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

Particulars	Annexure No.	As at 31/03/2024 Amount(Rs.)	As at 31/03/2023 Amount(Rs.)
(a) Capital Advances		-	-
(b) Security Deposits			
CCI Deposit		77,909	77,909
NSC		16,000	16,000
EARNEST MONEY FOR PGVCL BG		3,18,600	3,18,600
Banaskata Dist Co-op Milk		5,00,000	-
(c) Loans and advances to related parties		-	-
(d) Other loans and advances		-	-
<b>Total</b>		<b>9,12,509</b>	<b>4,12,509</b>



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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
Deffered Factory License Fees		-	-
<b>Total</b>		-	-

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
(a) Trade Investments		-	-
(b) Other Investments		-	-
<b>Total</b>		-	-
Less: Provision for diminution in the value of investments		-	-
<b>Total</b>		-	-

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
(A) Inventories:(As certified by the management)			
(a) Raw materials		3,70,50,958	2,79,01,118
(b) Work-in-progress		-	-
(c) Finished goods		19,91,32,970	20,83,61,355
(d) Stores and Spares		21,97,000	17,96,000
		23,83,80,928	23,80,58,473
(B) Goods in transit shall be disclosed under the relevant sub head of inventories		-	-
<b>Total</b>		23,83,80,928	23,80,58,473

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
Sundry Debtors		5,76,92,940	6,54,88,329
<b>Total</b>		5,76,92,940	6,54,88,329

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
Cash:			
Cash on Hand		5,03,023	4,87,523
Balances with Banks:			
S.B.I 33806533280 (LIMBDI)		22,97,371	92,29,992
<b>Total</b>		28,00,394	97,17,515

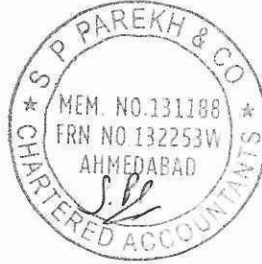


**NOTE-19****SHORT TERM LOANS AND ADVANCES :**

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
(a) Loans and advances to related parties		-	-
(b) Other loans and advances		5,02,63,221	3,59,51,247
<b>Total</b>		<b>5,02,63,221</b>	<b>3,59,51,247</b>

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

Particulars	Annexure No.	As at 31/03/2024	As at 31/03/2023
		Amount(Rs.)	Amount(Rs.)
Advances to suppliers		1,81,03,678	2,01,86,208
SGST Receivable		9,30,528	10,80,648
CGST Receivable		1,82,626	-
IGST Receivable		-	1,079
Advance tax		-	2,00,000
Excess TDS Paid		2,20,328	2,20,329
TDS Receivable		14,99,707	21,96,181
TCS Receivable of Previous Year		575	575
Prepaid Insurance		3,89,973	5,78,695
Income Tax Refundable		-	1,06,124
<b>Total</b>		<b>2,13,27,415</b>	<b>2,45,69,839</b>



**K R SOLVENT LLP**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2024**

**NOTE - 21**

**REVENUE FROM OPERATIONS:**

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Sales	1,20,99,25,931	2,13,89,199	1,45,16,77,372
<b>TOTAL</b>	<b>1,20,99,25,931</b>	<b>2,13,89,199</b>	<b>1,45,16,77,372</b>

**NOTE - 22**

**OTHER INCOME:**

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Weight Loss	-	1,09,278	5,052
CCI Rajkot Deposit Interest	-	-	1,500
FD Interest	1,30,741	3,683	1,11,619
Vatav Kasar	1,091	-	22,443
Interest On Income Tax Refund	-	-	58,180
Cash Discount	-	4,10,338	2,29,247
Misc Income	-	-	39,005
Round Off	17	2	384
	<b>1,31,849</b>	<b>5,23,301</b>	<b>4,67,430</b>

**NOTE - 23**

**COST OF MATERIAL CONSUMED:**

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Raw Materials:			
Opening Stock	2,79,01,118	5,28,93,883	2,09,39,443
Add: Purchase	1,08,79,69,893	46,91,227	1,28,96,66,601
Less: Closing Stock	5,28,93,883	3,70,50,958	2,79,01,118
<b>TOTAL</b>	<b>1,06,29,77,128</b>	<b>2,05,34,152</b>	<b>1,28,27,04,926</b>

**NOTE - 24**

**PURCHASE OF STOCK-IN-TRADE**

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Purchase of stock in trade	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>



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

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
<b>Inventories at the end of the year:</b>			
Store and Spare	21,93,000	21,97,000	17,96,000
Work-in-progress	-	-	-
Finished Goods	19,79,56,581	19,91,32,970	20,83,61,355
<b>TOTAL</b>	<b>20,01,49,581</b>	<b>20,13,29,970</b>	<b>21,01,57,355</b>
<b>Inventories at the beginning of the year:</b>			
Store and Spare	17,96,000	21,93,000	15,57,000
Work-in-progress	-	-	-
Finished Goods	20,83,61,355	19,79,56,581	21,58,20,612
<b>TOTAL</b>	<b>21,01,57,355</b>	<b>20,01,49,581</b>	<b>21,73,77,612</b>
<b>Net (Increase) / Decrease</b>	<b>1,00,07,774</b>	<b>(11,80,389)</b>	<b>72,20,257</b>

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

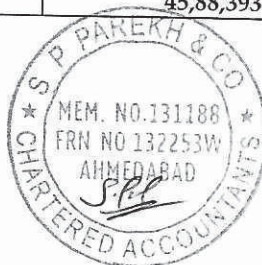
Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Salaries & Bonus	1,20,28,559	2,48,277	1,33,37,749
Majuri Expense	1,09,08,631	25,460	98,17,409
Remuneration to partners	4,50,000	1,50,000	9,00,000
Employer Provident Fund Expense	1,58,000	3,818	71,672
<b>TOTAL</b>	<b>2,35,45,190</b>	<b>4,27,555</b>	<b>2,41,26,830</b>

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

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
SBI Interest Expense	1,14,35,562	3,25,350	1,02,06,796
Bank Charges	5,42,111	68,914	5,16,164
Unsecured Loan Interest	27,61,356	74,695	28,27,810
Interest to party	7,20,000	-	7,90,540
<b>TOTAL</b>	<b>1,54,59,030</b>	<b>4,68,959</b>	<b>1,43,41,310</b>

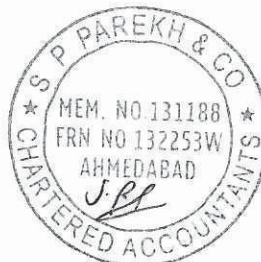
**NOTE-28****DEPRECIATION AND AMORTIZATION EXPENSES :**

Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
Depreciation on Tangible Assets	45,88,393	1,29,250	51,20,305
Amortisation on Intangible Assets	-	-	-
<b>TOTAL</b>	<b>45,88,393</b>	<b>1,29,250</b>	<b>51,20,305</b>



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

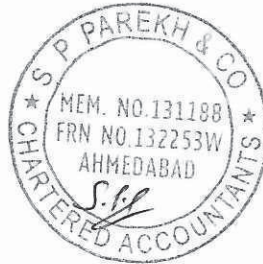
Particulars	2023-2024		2022-2023
	01.04.23 to 21.03.24	22.03.24 to 31.03.24	
<b>Direct Expenses:</b>			
Electricity Expense	2,45,99,864	-	1,95,22,819
Bardan Expense	77,09,080	2,45,274	2,31,51,234
Firewood Expense	1,32,42,273	62,136	1,14,96,248
Sutli Expense	9,84,862	-	12,33,934
Kapasiya Kharajat	97,91,664	70,913	98,71,414
Quality Allowance	-	-	6,41,248
Woven Bag	28,75,175	3,69,421	28,03,788
Boiler Exp.	2,45,660	-	4,76,790
Cash Discount	786	56,282	
<b>Total(a)</b>	<b>5,94,49,362</b>	<b>8,04,026</b>	<b>6,91,97,475</b>
<b>Administration Expenses:</b>			
balance written off	1,08,445	-	9,72,572
Car Repairing Exp	91,548	-	-
Commission	10,40,178	29,300	6,98,873
GST Expense	4,915	-	28,54,150
Audit Fees	29,178	822	30,000
Building Repairing Expense	1,88,854	65,668	6,40,486
Canteen Expense	65,844	-	53,085
Donation	12,63,248	-	4,53,130
Soda Settlement	40,000	-	2,98,000
Freight Outward Expense	1,79,00,331	5,04,235	2,49,56,727
Insurance Expense	7,01,009	14,390	8,75,777
Renewal Fees	4,300	-	25,000
Membership Fees	-	-	20,000
Parts Expense	64,43,424	-	75,76,807
Oil & Greece Expenses	3,64,259	-	1,34,648
Office Expense	25,510	-	1,44,283
Professional Fees	1,77,000	-	2,12,260
Repair & Maintenance	1,41,587	-	7,81,290
Rent Expense	58,387	1,613	60,000
R.O.C Exp	109	-	10,000
Rate Difference	-	-	15,137
Rating Charges	8,000	-	-
Stationery Expense	11,595	19,820	37,750
Organic Certification & Inspection Charges	1,84,000	-	-
TDS Interest	90,184	-	2,27,594
TCS Interest	542	-	430
Interest on Income Tax	42,550	-	-
<b>Total(b)</b>	<b>2,89,84,997</b>	<b>6,35,848</b>	<b>4,10,77,999</b>
<b>Selling &amp; Distribution Expenses:</b>			
Travelling Expense	1,21,962	-	59,099
Marketing Expense	41,336	-	-
<b>Total(c)</b>	<b>1,63,298</b>	<b>-</b>	<b>59,099</b>
<b>TOTAL(a+b+c)</b>	<b>8,85,97,657</b>	<b>14,39,874</b>	<b>11,03,34,573</b>



**K R SOLVENT**

**COMPUTATION OF PARTNERS' REMUNERATION INADMISSABLE U/S 40(b) / 40(ba)**  
**FINANCIAL YEAR 2023-24**

Sr No.	Particulars	Amount (Rs.)
1	Net profit as per Profit & Loss a/c	49,75,709
	Add: Interest on capital to partners disallowed u/s 40(b)	
	Add: Depreciation as per Book	47,17,643
	Add: Remuneration paid to Partners	6,00,000
		1,02,93,352
	Less: Depreciation allowable u/s 32	47,17,643
	Book Profit	55,75,709
2	Remuneration allowable :	
	In case of Loss or	
	In case of profit - On first Rs.300000 @ 90% or Rs. 150000	1,50,000
	whichever is more	2,70,000
	On Balance @ 60%	31,65,425
	Total Remuneration allowable	34,35,425
	Remuneration paid to Partners	6,00,000
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 2024.

### 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.

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	Relation	Nature of Transactions	Amount (Rs.)
1	Milan Ginning Pressing Private Limited	Holding Company	Sales	26,00,46,303/-
2			Purchase	27,08,50,637/-
3	Husenali Yusufali Narsinh	Designated Partner	Remuneration	2,25,000/-
4	Meenazben Husenali Narsinh	Designated Partner	Remuneration	1,50,000/-
5	Mohammadhasnein H Narsinh	Designated Partner	Remuneration	2,25,000/-
6	Bharat Industries	Group Concern	Rent Expense	60,000/-
7	Husenali Yusufali Narsinh	Designated Partner	Unsecured loan Taken	1,67,48,227/-
8	Minazben Hushenali Narsinh	Designated Partner	Unsecured loan Taken	2,81,22,825/-
9	Mohammadhasnein H Narsinh	Designated Partner	Unsecured loan Taken	1,66,67,921/-
10	Fatema Mohmadhasnen Narsinh	Relative of Designated Partner	Loan Given	1,28,25,000/-
11			Loan Repaid	1,00,00,000/-
12	Mehvishben Narsinh	Relative of Designated Partner	Loan Given	2,46,700/-

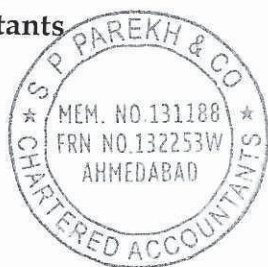
Related party and transactions with them are as identified by the management and relied upon by the auditor.

- g) There is a difference in GST closing amount as per books and GST portal which will be rectified in annual Return as informed by the management.

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

*S.P. Parekh*

CA Sunny Parekh  
M.No.131188  
Proprietor  
UDIN: 24131188BKEQKC3548  
Place: Ahmedabad  
Date: 11/07/2024



For, K R Solvent LLP

*K R Solvent LLP*

Designated Partner

Place: Limbdi  
Date: 11/07/2024