

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINAM ENTERPRISE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **Kinam Enterprise Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the period ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2024, and its loss (financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the period ended on that date.

2. Basis for Opinion

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

3. Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

4. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibility for the audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. However, as per the Notification No. GSR 583(E) dated 13th June 2017 issued by Ministry of Corporate Affairs the relevant Section 143(3)(i) of the Act, is not applicable to the Company.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) We are not required to report on adequacy of the Internal Financial Control with respect to the financial statements of the company and the operating effectiveness of such controls, vide Notification No. GSR 583(E) dated 13th June 2017 issued by Ministry of Corporate Affairs.
- g) We are not required to report as per the provisions u/s 197(16) of the Act since the company is a private limited company and the provisions of section 197 are not applicable to the company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. As per the information and explanations provided to us by the management and based on our audit, the Company does not have any pending litigations as of the period end;
 - ii. The Company has no long-term contracts including derivative contracts; and
 - iii. The Company is not required to transfer amounts to the Investor Education and Protection Fund.
 - iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries''), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (''Ultimate Beneficiaries'') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As represented to us by the management and to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (''Funding Parties''), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (''Ultimate Beneficiaries'') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

 - v. The Company has not proposed any dividend in the current period. Therefore, Section 123 of the Companies Act, 2013 is not applicable to the Company.



- vi. Based on our examination which included test checks, the company has used accounting software viz. Tally ERP9 for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has been operated from 3rd January, 2024 for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No.107122W / W100672



N Kashinath

Partner

Mem.No.036490

UDIN: 24036490BKGTTB4160

Place: Silvassa

Date: 27th May 2024



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KINAM ENTERPRISE PRIVATE LIMITED

- (i) (a) The Company does not have any Property, Plant and Equipment and Intangible Assets and hence reporting under clauses (i)(a),(b),(c) and (d) of the order are not applicable.
- (b) No proceedings have been initiated during the period or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.
- (ii) (a) The Company does not have any Inventory and hence reporting under clauses (ii)(a) of the order is not applicable.
- (b) The Company has not been sanctioned any working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause (ii)(b) of the order is not applicable to the Company.
- (iii) The Company has made investment in shares of a company. The Company has not provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period.
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the period and hence reporting under clauses (iii)(a),(c),(d),(e) and (f) of the order are not applicable.
- (b) In our opinion, the investment made in company is, prima facie, not prejudicial to the company's interest.
- (iv) In our opinion, in respect of investments made ,the Company has complied with the provisions of Section 186 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- (vi) The Company is not required to maintain the cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act and hence reporting under clause (vi) of the order is not applicable.
- (vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the period since effective 1st July 2017, these statutory dues has been subsumed into GST.
- (a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.



- (b) According to the records of the Company, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the period.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the period.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not availed any term loans during the period and hence reporting under clause (ix) (c) of the order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the period for long-term purposes by the Company.
- (e) The Company does not have any subsidiary and hence reporting under clause (ix) (e) of the order is not applicable.
- (f) The Company does not have any subsidiary and hence reporting under clause (ix) (f) of the order is not applicable.
- (x) (a) The Company has not raised any moneys by way of Initial public offer or further public offer (Including debt instruments), during the period and hence reporting under Clause (x) (a) of Para 3 of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.
- (xi) (a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the period, nor have we been informed of any such case by the management.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the period.



- (xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- (xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 11 as required by the applicable Indian Accounting standards.
- (xiv) The company is not required to appoint internal auditor in accordance with Section 138(1) of the Act and hence reporting under clause (xiv) (a) and (b) of Para 3 of the order are not applicable to the Company.
- (xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.
- (b) During the period, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.
- (d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 9.12 lakhs during the period covered by our audit.
- (xviii) There has been no resignation of the statutory auditors of the Company during the period.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) The Company is not required to spent the amount towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause (xx) of the Order is not applicable for the period.

For M M Nissim & Co LLP
Chartered Accountants
Firm Reg.No.107122W / W100672



N Kashinath
Partner

Mem.No.036490

UDIN: 24036490BKGTTB4160

Place: Silvassa

Date: 27th May 2024



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Balance Sheet as at March 31, 2024

₹ in Lakhs

Particulars	Note No.	As at March 31, 2024
I) Assets		
1) Non-current assets		
a) Financial assets		
- Investments	2	668.14
2) Current assets		
a) Financial assets		
- Cash & cash equivalents	3	0.41
b) Deferred tax assets	4	1.96
Total assets		670.51
II) Equity and liabilities		
1) Equity		
a) Equity share capital	5	668.14
b) Other equity	6	(9.12)
Total equity		659.02
2) Liabilities		
i) Current liabilities		
a) Financial liabilities		
- Borrowings	7	0.50
b) Others current liabilities	8	10.99
Total liabilities		11.49
Total equity and liabilities		670.51
Material accounting policies	1	

Accompanying notes are an integral part of these financial statements

As per our report of even date attached For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672


N. Kashinath
Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024





Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Silvassa, Dated 27th May, 2024

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Profit and Loss for the period ended March 31, 2024

₹ in Lakhs

Particulars	Note No.	Period ended March 31, 2024
I) Income		
a) Revenue from operations		-
b) Other income		-
Total income (a+b)		-
II) Expenses		
a) Cost of materials consumed		-
b) Changes in inventories of finished goods and work-in-progress		-
c) Employee benefits expense		-
d) Finance costs		-
e) Depreciation and amortisation expense		-
f) Other expenses	9	11.08
Total expenses (a to f)		11.08
III) Loss before tax (I-II)		(11.08)
IV) Tax expenses		
a) Current tax		-
b) Deferred tax		(1.96)
Total tax expenses (a+b)		(1.96)
V) Loss for the period (III-IV)		(9.12)
VI) Other comprehensive income/(loss)		
a) Items that will not be reclassified to the Statement of Profit and Loss		-
b) Items that will be reclassified to the Statement of Profit and Loss		-
Total other comprehensive income/(loss) for the period, net of tax (a+b)		-
VII) Total comprehensive loss for the period (V + VI)		(9.12)
VIII) Earnings per equity share [nominal value of share ₹ 10/- each]		
Basic EPS	10	(0.18)
Diluted EPS	10	(0.18)

Material accounting policies

1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672

N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024

Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024

Kirit Mehta

Director

DIN - 10213333

Silvassa, Dated 27th May, 2024

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of changes in equity for the period ended March 31, 2024

A. Equity share capital

Share Capital	Nos.	₹ in Lakhs
		Amount
Issue of equity shares on incorporation	66,81,360	668.14
Balance as at March 31, 2024	66,81,360	668.14

B. Other equity

Particulars	₹ in Lakhs
	Total
Loss during the period	(9.12)
Other comprehensive income (net of tax)	-
Balance as at March 31, 2024	(9.12)


As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672


N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024





Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Silvassa, Dated 27th May, 2024

Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Standalone Statement of Cash Flow for the period ended March 31, 2024

Particulars	₹ in Lakhs
	Period ended March 31, 2024
Cash flow from operating activities:	
Net loss before tax	(11.08)
Adjustment for:	
Depreciation	-
Operating (loss) before working capital changes	(11.08)
Other liabilities	10.99
Cash (used in) operations	(0.09)
Direct taxes paid	-
Net cash (used in) operating activities	(0.09)
Cash flow from investing activities	
Investment in a company	(668.14)
Net cash (used in) investing activities	(668.14)
Cash flow from financing activities	
Proceeds from issue of equity share capital	668.14
Proceeds from borrowings	0.50
Net cash from financing activities	668.64
Net increase in cash and cash equivalents	0.41
Cash and cash equivalents at the beginning of period	-
Cash and cash equivalents at the end of the period	0.41

Footnotes to Cash Flow Statement:

(i) The above cash flow statement has been prepared under the indirect method.

(ii) Reconciliation of financing liabilities:

Particulars	Period ended
	March 31, 2024
Opening balance	
Cash flow movement	
Cash inflow from current borrowings	0.50
Closing balance	0.50

As per our report of even date attached
For M M Nissim & Co LLP
Chartered Accountants
Firm Reg. No. 107122W/W100672

For and on behalf of the Board


N. Kashinath
Partner
Membership No. 036490
Silvassa, Dated 27th May, 2024




Mehul Mehta
Director
DIN - 10213334
Silvassa, Dated 27th May, 2024


Kirit Mehta
Director
DIN - 10213333
Silvassa, Dated 27th May, 2024

Notes to the standalone financial statements as at 31st March, 2024

Note 1 -Material Accounting Policies under IND AS

A) Corporate Information

Kinam Enterprise Private Limited (the 'Company') was incorporated on 26th June, 2023 under the provisions of the Companies Act, 2013 and is a private limited company domiciled in India. The registered office of the Company is at 746.3 Parikrama Apartment A, Luncikui 62437, Navsari Gujarat - 396445.

The principle business activity of the Company inter alia is manufacture of general engineering products including Heat transfer equipment, Pressure & storage vessels, Filtration & drying equipments and perform engineering and related technical and consultancy services.

B) Basis of preparation of financial statements

i. Statement of compliance

These separate financial statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of preparation and presentation

The Financial Statement is presented in Indian Rupee ("₹") and all values are rounded off to Rupees Lakhs unless otherwise stated.

The financial statements of the Company for the period ended 31st March, 2024 were approved for issue in accordance with a resolution of the directors on 27th May, 2024.

C) Summary of Material Accounting Policies:

1) Financial assets

Financial assets of the Company comprise investment and cash & cash equivalents.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.



Notes to the standalone financial statements as at 31st March, 2024

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognized in OCI is reclassified to Profit or Loss.

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

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.



Notes to the standalone financial statements as at 31st March, 2024

2) Financial Liabilities

The Company's financial liabilities include loans and borrowings.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost at the end of subsequent accounting periods. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

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

D) Recent Accounting Pronouncements

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Kinam Enterprise Private Limited

CIN: U43229GJ2023PTC142341

Notes to the Standalone Financial Statements as at March 31, 2024

Note 2

Investments

₹ in Lakhs

Particulars	Face value	Number of Securities held	As at
			March 31, 2024
Unquoted - Investment (At FVTPL)			
Kinam Process Equipments Private Limited	10	66,81,400	668.14
Total			668.14

Note 3

Cash and cash equivalents (as per cash flow statement)

₹ in Lakhs

Particulars	As at
	March 31, 2024
Cash on hand	-
Balance with banks	0.41
Total	0.41

Note 4

Deferred tax assets

₹ in Lakhs

Particulars	As at
	March 31, 2024
Deferred tax assets	1.96
Total	1.96

Particulars	Recognised in the Statement of Profit and Loss	As at
		March 31, 2024
Deferred tax assets in relation to:		
Business loss	1.96	1.96
Total	1.96	1.96



Kinam Enterprise Private Limited

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Notes to the Standalone Financial Statements as at March 31, 2024

Note 5

Equity share capital

Share Capital	Number of Share	₹ in Lakhs
		As at March 31, 2024
Authorised capital		
Equity share of ₹ 10/- each	70,00,000	700.00
Issued, subscribed and fully paid-up		
66,81,360 equity shares of ₹ 10/- each	66,81,360	668.14
Reconciliation of number of equity share outstanding		
Issue of equity shares on incorporation	66,81,360	668.14
Outstanding at the end of the period	66,81,360	668.14

Terms / rights attached to equity shares

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

The details of shareholder holding more than 5% shares as at March 31, 2024 are as follows:

Shareholder Name	As at March 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%

The details of the shares held by promoters as at March 31, 2024 are as follows:

Shareholder Name	As at March 31, 2024	
	Number of Share	% holding
Kirit N Mehta	33,23,977	49.75%
Mehul K Mehta	33,23,976	49.75%



Kinam Enterprise Private Limited

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Notes to the Standalone Financial Statements as at March 31, 2024

Note 6

Other equity		₹ in Lakhs
Particulars		As at March 31, 2024
Retained earnings		(9.12)
Total other equity		(9.12)

The movement in other equity:

(i) Retained earnings

Add: Loss for the period	(9.12)
Balance at the end of the period	(9.12)

Nature and purpose of each component of equity

(i) Retained earnings

Accumulated balance of total comprehensive income for the period

Note 7

Borrowings (Current)		₹ in Lakhs
Particulars		As at March 31, 2024
Loan from a Director (refer footnote)		0.50
Total		0.50

Footnote:

The loan taken from a director is interest free and is repayable on demand.

Note 8

Current Liabilities		₹ in Lakhs
Particulars		As at March 31, 2024
Liabilities for expenses		10.99
Total		10.99



Kinam Enterprise Private Limited

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Notes to the Standalone Financial Statements for the period ended March 31, 2024

Note 9

Other Expenses

Particulars	₹ in Lakhs
	Period ended March 31, 2024
Legal and Professional Fees	10.83
Audit fees	0.25
Total	11.08

Note 10

Earnings per share

Particulars	₹ in Lakhs
	Period ended March 31, 2024
Loss after tax	
Loss for the period	(9.12)
Weighted average number of equity shares for the purpose of calculation of earnings per share	51,11,423
Earnings per equity share	
Basic EPS	(0.18)
Diluted EPS	(0.18)

Note 11

Related party disclosures

The disclosure for related parties as per Ind AS-24, notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) are as follows:

Names of related parties and description of relationship:

Key Management Personnel (KMP)	Mr. Mehul K. Mehta (Director)
	Mr. Kirit N. Mehta (Director)
	Mr. Harsh H. Patel (Director)
Entities in which KMPs are interested, with whom the Company has transactions	HLE Glascoat Limited
	Kinam Process Equipments Private Limited
	Kinam Engineering Industries Private Limited



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Notes to the Standalone Financial Statements for the period ended March 31, 2024

Transactions with related parties (excluding reimbursements)

Nature of Transactions	Transactions	Payable / (Receivable) / Closing Balances
	Period ended March 31, 2024	As at 31st March 2024
I. Key management personnel :		
Loan	0.50	0.50
Equity share subscribed	664.80	664.80
II. Entities in which KMPs are interested, with whom the Company has transactions:		
Business support expenses	10.74	10.74
Equity share subscribed	3.34	3.34
Investment in Kinam Process Equipments Private Limited	668.14	668.14

Footnotes:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than unsecured loan at the period end are unsecured and interest free. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates. No balances has been written off during the period.

Note 12

ADDITIONAL / EXPLANATORY INFORMATION:

a) Contingent Liabilities not provided for:

N.A.

b) Other statutory information is as follows:

(i) The Company does not have any Benami property nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the period.



Kinam Enterprise Private Limited

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Notes to the Standalone Financial Statements for the period ended March 31, 2024

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

c) Requirements under Schedule III of The Companies Act, 2013 are disclosed to the extent applicable.

d) Previous year's figures are not given, as this is the first year of the formation of the Company.

As per our report of even date attached

For and on behalf of the Board

For M M Nissim & Co LLP

Chartered Accountants

Firm Reg. No. 107122W/W100672



N. Kashinath

Partner

Membership No. 036490

Silvassa, Dated 27th May, 2024



Mehul Mehta

Director

DIN - 10213334

Silvassa, Dated 27th May, 2024



Kirit Mehta

Director

DIN - 10213333

Silvassa, Dated 27th May, 2024