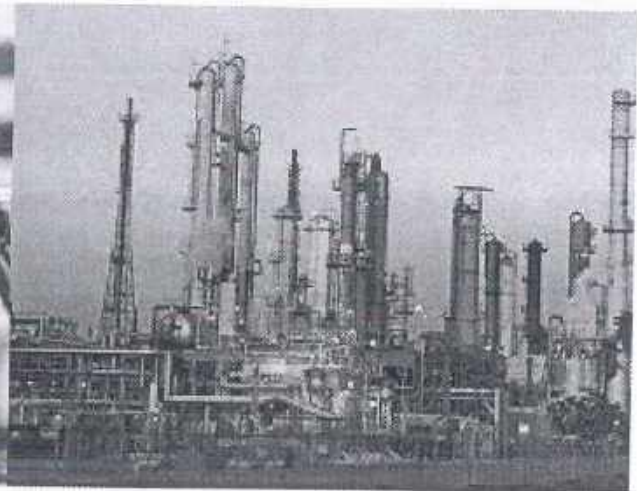
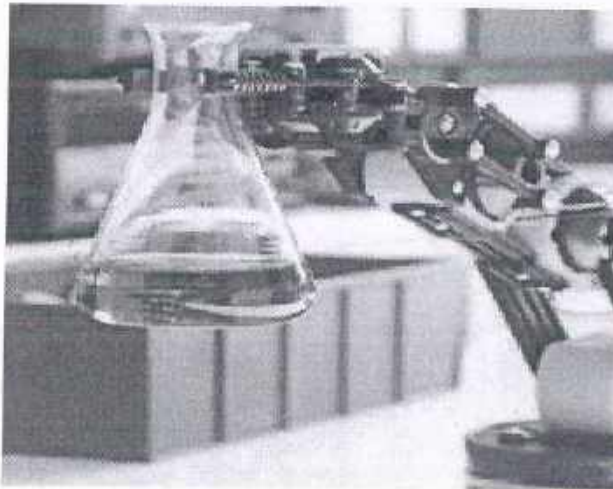




# **KLJ RESOURCES LIMITED**

**TRUST BUILT ON PERFORMANCE**



**36<sup>th</sup> ANNUAL REPORT 2021-22**

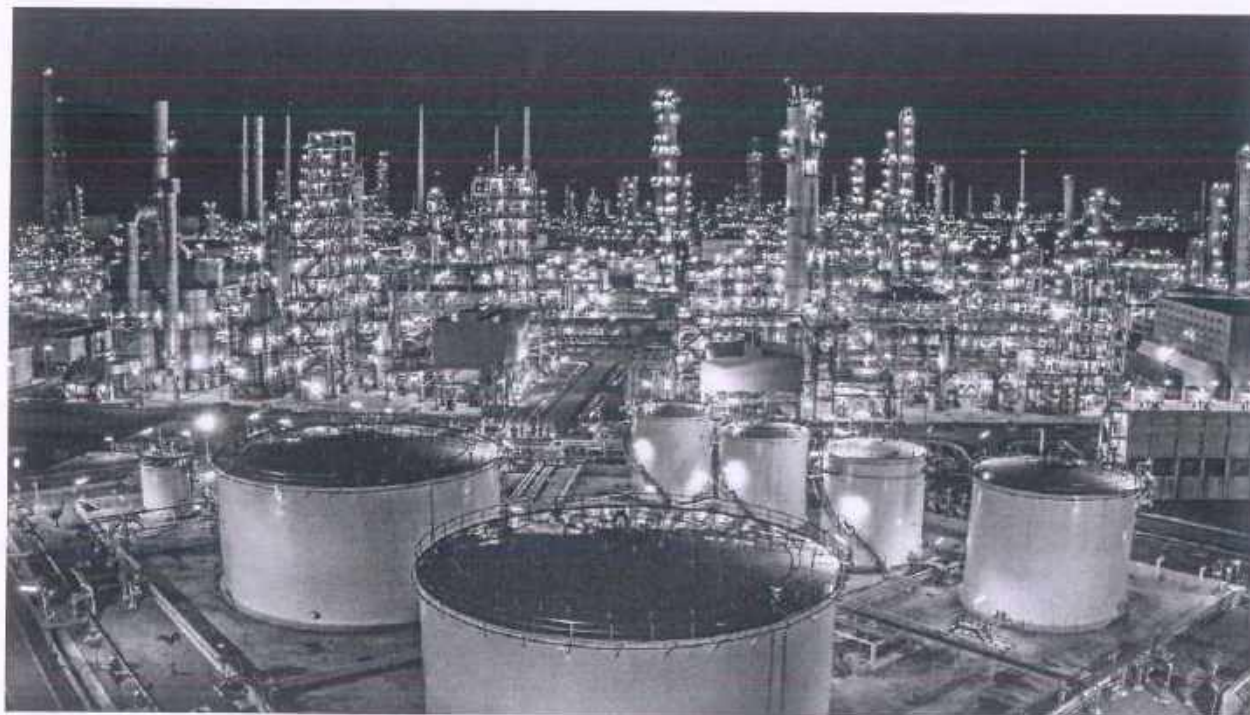
# BUILDING A STRONGER ECONOMY

KLJ Resources Limited is engaged in Import, Marketing & Distribution of petrochemicals, derivatives & solvents in India

The Company is one of the largest importers of Petrochemicals in India, with a turnover exceeding US\$ 400 million

Wide Marketing Network and Storage Centers Located in all Major Strategic Locations across India

KLJ Resources Limited is engaged in importing of petrochemicals & blending of Base Oil in India. Product range covers a range of Paraffins, Linear Alkyl Benzene, Glycol Ether, Oxo-Alcohols, Aromatics, Ketones, Monomers, Esters & Amines to name a few. The Company has strong tie-ups with leading global players to ensure cost effective and uninterrupted supply to its customers. The Company has Pan India presence of marketing network with storage tanks, Drumming and Distribution facilities etc.





# KLJ RESOURCES LIMITED

## 36<sup>th</sup> ANNUAL REPORT – 2021-22

CIN: L67120WB1986PLC041487

### Board of Directors

Sh. Hemant Jain  
Sh. Kamendra Navratansingh Chauhan  
Sh. Dilip Kumar Karn  
Smt. Kalpana Seth  
Sh. Ram Parkash Makan  
Sh. Ranjit Ray Banthia

Managing Director  
Whole Time Director  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director

### Registered Office:

8, Cammac Street,  
Kolkata- 700 017,  
Website: www.kljresources.in  
E-mail: kljresources@kljindia.com  
Phone No.: 011-25459706, 45371433

### Corporate Office:

KLJ House, 8A, Shivaji Marg, Najafgarh  
Road, New Delhi- 110015

### Plant Location:

177, Part A, Jamal Pada Road, Village  
Silli, Silvassa- 396230

### Chief Financial Officer

Sh. Suresh Chand Jalthar

### Company Secretary & Compliance Officer

Sh. Ajai Kumar Gupta

### Statutory Auditors

M/s Kumar Chopra & Associates  
Chartered Accountants,  
B-12 (G.F.), Kalindi Colony,  
Near Maharani Bhag,  
New Delhi-110065  
FRN: 000131N

### Registrar & Share Transfer Agent

R & D Infotech Private Limited,  
Add.:- 15C, Naresh Mitra Sarani  
Kolkata, West Bengal-700 026,  
Tel- 91-33-24192641/2642,  
Email: [rdinfotec@yahoo.com](mailto:rdinfotec@yahoo.com)

### Bankers

State Bank of India  
Punjab National Bank  
HDFC Bank  
Axis Bank  
Kotak Mahindra Bank  
ICICI Bank

## Contents

|   |         |
|---|---------|
| Notice.....                                       | 2-15    |
| Directors' Report .....                           | 16-32   |
| Corporate Governance Report .....                 | 33-44   |
| Management Discussion<br>And Analysis Report..... | 45-49   |
| Standalone Annual Financial<br>Statement.....     | 50-100  |
| Consolidated Annual Financial<br>Statement.....   | 101-152 |



# KLJ RESOURCES LIMITED

CIN: L67120WB1986PLC041487

Registered Office: 8, Cammac Street, Kolkata, West Bengal -700 017  
Telephone: (011)-25459706, 45371433, E-mail: kljresources@kljindia.com;  
Website: www.kljresources.in

## NOTICE OF 36<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the members of KLJ Resources Limited will be held on Friday, 30<sup>th</sup> September, 2022 at 10:00 A.M. at the Registered Office of the Company at 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata – 700 017 to transact the following business:

### ORDINARY BUSINESS

#### Item No. 1- Adoption of Audited Standalone Annual Financial Statement

To receive, consider and adopt the audited standalone annual financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the audited standalone annual financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

#### Item No. 2- Adoption of Audited Consolidated Annual Financial Statement

To receive, consider and adopt the audited consolidated annual financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the report of the Auditors thereon and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the audited consolidated annual financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the report of the Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

#### Item No. 3- Declaration of Dividend

To declare a final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2022 and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** a final dividend at the rate of Rs. 0.25 (Twenty five paise only) per equity share of Rs. 10 (Ten Rupees) each, be and is hereby declared for the financial year ended 31<sup>st</sup> March, 2022 and the same be paid out of the profits of the Company for the financial year ended 31<sup>st</sup> March, 2022.”

#### Item No. 4- Re-Appointment of Director

To appoint a Director in place of Smt. Kalpana Seth (DIN 06949098), who retires by rotation and being eligible offers herself for re-appointment and in this regard, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Kalpana Seth (DIN: 06949098), who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

#### Item No. 5- Re-Appointment of Statutory Auditors and to fix their Remuneration

To re-appoint Statutory Auditors and to authorize the Board to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 139, 141 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) M/s Kumar Chopra & Associates, Chartered Accountants (Firm Registration No.: 000131N), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of 5 (five) consecutive



years, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of 41<sup>st</sup> Annual General Meeting of the Company (to carry out the Statutory Audit of the Company for Financial Year 2022-23 to 2026-27).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to fix the Remuneration of Statutory Auditors for the Statutory Audit to be conducted by them for each of Financial Year from 2022-23 to 2026-27 as may be mutually agreed between the Statutory Auditors and the Board.”

### **SPECIAL BUSINESS**

#### **Item No. 6- Ratification of Remuneration of Cost Auditors**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s Yogesh Gupta & Associates, Cost Accountants (Firm Registration Number 000373), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March 2023, amounting to Rs. 2,00,000 (Rupees Two Lacs only) plus incidental expenses and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.”

#### **Item No. 7: To increase the Borrowing limits of the Company under section 180(1)(c) of the Companies Act, 2013**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the special resolution passed by the shareholders in their Extra-Ordinary General Meeting held on 10th March, 2022 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 2,000 crore (Rupees Two Thousand Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

#### **Item No. 8: To create charge(s) on the movable and immovable properties of the Company, under Section 180(1)(a) of the Companies Act, 2013**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the special resolution passed by the shareholders in their Extra Ordinary General Meeting held on 10<sup>th</sup> March, 2022, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible (hereinafter collectively referred to as “Loans”) provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs. 2,000 crore (Rupees Two Thousand Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”



**Item No. 9: Appointment of Sh. Kamendra Navratansingh Chauhan (DIN: 09695105) as a Whole Time Director of the Company**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and the relevant rules made thereunder and pursuant to the provisions of the Articles of Association of the Company and upon recommendation of the Nomination and Remuneration Committee, Sh. Kamendra Navratansingh Chauhan (DIN: 09695105) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2022, and who hold office up to the date of the ensuing Annual General Meeting pursuant to section 161(1) of Companies Act, 2013 and who is eligible for appointment and in respect of whom the company has received a notice in writing from a member, proposing his candidature for the office of Director under Section 160 of Companies Act, 2013, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of the sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V of the Act (including any statutory modification or re-enactment thereof, for the time being in force) and pursuant to Articles of Association of the Company and upon recommendation of Nomination and Remuneration Committee and as approved by the board of Directors, consent of the members of the company be and is hereby accorded for appointment of Sh. Kamendra Navratansingh Chauhan (DIN: 09695105) as a Whole Time Director of the Company for a period of 3 (three) consecutive years commencing from 12<sup>th</sup> August, 2022 till 11<sup>th</sup> August, 2025 notwithstanding that he has attained the age of 70 years, on such terms and conditions including his remuneration as mentioned below:

**A) Basic Salary :**

Rs. 1,38,065/- (Rupees One Lac Thirty Eight Thousand and Sixty Five Only) per month with such increments as the Board may decide from time to time subject however, to a ceiling of Rs. 3,00,000 (Rupees Three Lacs Only) per month as basic salary.

**B) Perquisites and Amenities:**

Sh. Kamendra Navratansingh Chauhan, Whole Time Director of the Company shall be entitled to following perquisites and amenities:

- i) Housing: house rent allowance as may be decided by the Board of Directors from time to time subject however to a maximum limit of 50% of basic salary.
- ii) Insurance premium for medical and hospitalization and Personal Accident insurance cover as per the rules of the Company.
- iii) Medical reimbursement: Reimbursement of medical expenses incurred as per the rules of the Company.
- iv) a) Contribution to provident fund as per the policy of the Company.  
b) Gratuity as per the policy of the Company.  
c) Encashment of leave as per the policy of the Company.
- v) Use of Car provided by the Company.
- vi) Special ex gratia/Loyalty ex gratia –as per the policy of the Company
- vii) Other Perquisites and Amenities: Any other perquisites and/or amenities as per the policy applicable to the senior executives of the Company and/or which may become applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide.
- viii) Any other one time, periodic retirement allowances /benefits as may be decided by the board at the time of retirement.

For the purposes of gratuity, provident fund and other like benefits if any, the services of Sh. Kamendra Navratansingh Chauhan, Whole Time Director shall be considered as continuous service with the Company from the date of his joining the Company.

Provided however that, perquisites and amenities shall be valued, wherever applicable, as per the Income Tax Act, 1961 read with relevant rules issued thereunder.



**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to alter, vary and modify the aforesaid managerial remuneration for the period stated above including salary, perquisites and incentives payable to him in such manner as may be agreed to between the Board and Sh. Kamendra Navratansingh Chauhan.

**RESOLVED FURTHER THAT** where in any financial year the Company has no profits or its profits are inadequate the managerial remuneration consisting of salary, perquisites, amenities and incentives shall be payable to Sh. Kamendra Navratansingh Chauhan, in accordance with Schedule V and any other applicable provisions, if any, of the Companies Act 2013 and subject to the approval of the Central Government, wherever required.

**RESOLVED FURTHER THAT** Sh. Kamendra Navratansingh Chauhan be entrusted with such powers and perform such duties as may from time to time be delegated/entrusted to him subject to the supervision and control of the board.

**RESOLVED FURTHER THAT** the board of directors of the Company and/or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**By Order of the Board of Directors  
For KLJ RESOURCES LIMITED**

  
**(Ajai Kumar Gupta)**  
Company Secretary  
Membership No.: FCS 8020

5<sup>th</sup> September, 2022  
New Delhi



**NOTES:**

- 1) A member entitled to attend and vote at the 36<sup>th</sup> Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
- 2) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total paid up share capital of the Company carrying voting rights. A member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
- 3) A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 4) Attendance slip, proxy form and the route map, showing directions to reach the meeting venue are annexed to the Notice.
- 5) Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 6) The Notice convening the 36<sup>th</sup> Annual General Meeting has been uploaded on the website of the company at [www.kljresources.in](http://www.kljresources.in).
- 7) The Register of Members and Share Transfer books of the Company will be closed from Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both days inclusive), for the purpose of Annual General Meeting and dividend for the financial year 2021-22.
- 8) The Final Dividend for the financial year ended 31<sup>st</sup> March, 2022, as recommended by the Board, if approved at the Annual General Meeting, will be paid subject to tax deducted at source, wherever applicable, on or after Wednesday, 5<sup>th</sup> October, 2022 to those members whose names appear in the Register of Members of the Company as on the book closure date, as under:
  - In respect of equity shares held in physical form, to all those members whose names appear in the company’s Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the company on or before the close of business hours on Friday, 23<sup>rd</sup> September, 2022.
  - In respect of equity shares held in electronic form, to all beneficial owners of the shares, as per details furnished by the depositories for this purpose, as of the close of business hours on Friday, 23<sup>rd</sup> September, 2022.
- 9) The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force. Information and instructions including details of User ID and password relating to e-voting are provided in the Notice under Note No. 23.
- 10) In terms of Section 152 of the Act, Smt. Kalpana Seth (DIN: 06949098) Director, retires by rotation at the Meeting and being eligible, offers herself for re-appointment. The Board of Directors of the Company recommends her re-appointment. Details of the Director retiring by rotation, as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”) are provided herein below:

|   |                                     |
|---|-------------------------------------|
| Name  | Smt. Kalpana Seth                   |
| Date of Birth   | 21 <sup>st</sup> September, 1962    |
| Age   | 59 years                            |
| Date of first Appointment on Board  | 14 <sup>th</sup> August, 2014       |
| Qualification   | Graduate                            |
| Experience (including expertise in specific functional area)/<br>Brief Resume | 34 years of experience in Marketing |
| Remuneration last drawn   | NIL                                 |
| No. of Meetings attended during the year                                      | 8 (Eight)                           |





|  |   |
|--|---|
| Relationship with other Directors/Key Managerial Personnel   | NIL   |
| Directorships held in other public companies (excluding foreign and section 8 companies)   | One (KLJ Plastics Limited)  |
| Membership/Chairmanship of committees of other public companies (includes only Audit Committee and stakeholders' Relationship Committee) | Chairmanship in Stakeholders Relationship Committee of KLJ Plastics Limited |
| Number of Shares held in the Company   | 900   |

- 11) Members / Proxies / Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
- 12) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- 13) All relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.
- 14) Members may also note that SEBI vide its Circular dated 25<sup>th</sup> January, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate share certificates; claim form unclaimed suspense account; renewal/exchange of share certificates; endorsement' sub-division/splitting of share certificates; consolidation of share certificates/folios; transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialise the shares held by them in physical form.
- 15) The Company's Registrar and Share Transfer Agents (the "RTA") for its share registry (both, physical as well as electronic) is R & D Infotech Private Limited, having its registered office at 15C, Naresh Mitra Sarani, Kolkata West Bengal – 700026.
- 16) Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to intimate any change in their address or bank mandates to the Company by sending a request in form ISR-1 at KLJ House, 8A, Shivaji Marg, Najafgarh Road, New Delhi- 110015 or by email to [kljresources@kljindia.com](mailto:kljresources@kljindia.com) from their registered email id.
- 17) Members holding shares in electronic mode:
- (a) are required to submit their Permanent Account Number (PAN) to their DPs with whom they are maintaining their demat accounts.
- (b) May contact with their respective Depository Participants (DPs) for availing the nomination facility.
- 18) Members holding shares in physical mode:
- (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/RTA, if not registered with the Company as mandated by SEBI.
- (b) are advised to make nomination in respect of their shareholding in the company by sending the nomination form (SH-13) to the company.
- 19) Members who have not registered/updated their e-mail addresses with RTA, if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars electronically.
- 20) Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
- 21) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection at the Annual General Meeting.
- 22) Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.



23) Information and instructions relating to e-voting are as under:

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members a facility to exercise their right to vote on resolutions proposed to be passed at the Annual General Meeting by electronic means. The members may cast their vote(s) using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- ii. The facility for voting through physical ballot papers will be made available at the Meeting and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through poll 'by physical ballot'.
- iii. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. 23<sup>rd</sup> September, 2022. A person whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through permitted means.
- iv. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again.
- v. The Board of Directors of the Company has appointed Sh. Ganesh Dutt Sharma, a Practicing Company Secretary, New Delhi (Membership No. A43348) as Scrutinizer, who has submitted to the Company his willingness to act as such as a Scrutinizer and to scrutinize the remote e-voting and physical poll process at the Annual General Meeting venue in a fair and transparent manner.
- vi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting. A person, who is not a member as on the cut-off date, should treat this Notice for information purpose only.
- vii. The Scrutinizer will, after the conclusion of voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The result declared along with the consolidated Scrutinizer's Report will be communicated to the Stock Exchange.
- viii. **The instructions for shareholders voting electronically are as under:**
  - a) The members are provided with the facility to cast their vote electronically, through e-voting services provided by the Central Depository Services (India) Limited ('CDSL') on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
  - b) The remote e-voting period begins on Tuesday, 27<sup>th</sup> September, 2022 at 9:00 a.m. and ends on Thursday, 29<sup>th</sup> September, 2022 at 5:00 p.m. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23<sup>rd</sup> September, 2022 may cast their vote electronically. The remote e-voting will not be permitted beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of aforesaid period.
  - c) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - d) Click on Shareholders.
  - e) Now Enter your User ID
    - i. For CDSL: 16 digits beneficiary ID,
    - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - f) Next enter the Image Verification as displayed and Click on Login.
  - g) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - h) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.<br>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details<br>OR<br>Date of Birth (DOB)                | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.  |

- i) After entering these details appropriately, click on "SUBMIT" tab.
- j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l) Click on the EVSN for KLJ Resources Limited.
- m) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- p) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- q) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- r) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- t) Note for Non – Individual Shareholders and Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on Toll Free No.: 1800 22 5533. In case you need further assistance, you may contact Sh. Ajai Kumar Gupta, Company Secretary and Compliance Officer of the Company at Telephone No. (+91) 11-45371433 or at e-mail id: [kljresources@kljindia.com](mailto:kljresources@kljindia.com).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 6**

Upon the recommendation of the Audit Committee, the Board of Directors at their meeting held on 5<sup>th</sup> September, 2022 has approved the appointment of M/s Yogesh Gupta & Associates, Cost Accountants (Firm Registration Number 000373) as Cost Auditors to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March, 2023, at a remuneration of Rs. 2,00,000 (Rupees Two Lacs only) plus incidental expenses and reimbursement of out of pocket expenses that may be incurred by them during the course of audit.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors has to be ratified by the members of the company.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

None of the Directors and Key Managerial Personnel of the company or their respective relatives is concerned or interested in the resolution mentioned at Item No.6 of the Notice, except to the extent of their shareholding in the company, if any.

### **ITEM NO. 7**

Keeping in view, the existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate(s) as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

The members of the company had approved a limit of Rs. 1,500 Crore (Rupees One Thousand Five Hundred Crore only) under Section 180(1)(c), in their Extra-Ordinary General Meeting held on 10<sup>th</sup> March, 2022. Now, it is proposed to increase the borrowing limits to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 2,000 Crore (Rupees Two Thousand Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. Therefore, it is necessary to obtain fresh approval of the Shareholders of the Company by means of a Special Resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

None of the Directors of the company or their respective relatives is concerned or interested in the resolution mentioned at Item No. 7 of the Notice, financially or otherwise, except to the extent of their shareholding in the company, if any.

### **ITEM NO. 8**

In connection with the loan/credit facilities availed/ to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create/has created charges over its assets and properties by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders up to an aggregate limit of Rs. 1,500 Crore (Rs. One Thousand Five Hundred Crore only) as approved by the members of the Company under Section 180(1)(c) of the Companies Act, 2013, for the purposes of securing the loan/credit facilities extended by them to the Company.



Further, upon occurrence of default under the relevant Loan/facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets and properties including the rights of sale/disposal thereof, creation of charge/s as aforesaid and enforcement of assets by the Company's lenders upon occurrence of default would amount to a sale/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

Further, as per the provisions of Section 180(1)(a) of the Companies Act, 2013, a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Shareholders is obtained by way of a Special Resolution.

The members of the company had approved a limit of Rs. 1,500 Crore (Rupees One Thousand Five Hundred Crore only) under Section 180(1)(a) in their Extra-Ordinary General Meeting held on 10<sup>th</sup> March, 2022. Now, it is proposed to increase the said limit from Rs. 1,500 Crore (Rupees One Thousand Five Hundred Crore only) to Rs. 2,000 Crore (Rupees Two Thousand Crore only). Therefore, it is necessary to obtain fresh approval of the Shareholders of the Company by means of a Special Resolution for creation of charges/mortgages/hypothecations for an amount not exceeding Rs. 2,000 Crore or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

Accordingly, the Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

None of the Directors of the company or their respective relatives is concerned or interested in the resolution mentioned at Item No. 8 of the Notice, financially or otherwise, except to the extent of their shareholding in the company, if any.

#### **ITEM NO. 9**

The Board, based on the recommendation of the Nomination and Remuneration committee (NRC), appointed Sh. Kamendra Navratansingh Chauhan (DIN: 09695105) as an Additional Director of the Company with effect from 12<sup>th</sup> August, 2022. Pursuant to the provisions of Section 161(1) of Companies Act, 2013, Sh. Kamendra Navratansingh Chauhan holds office up to the date of this Annual General Meeting and is eligible for appointment as a Director.

Based on the recommendation of Nomination and Remuneration committee and approval by the board of directors and upon the terms and conditions including his remuneration as set out in item no. 9 of the notice, Sh. Kamendra Navratansingh Chauhan was also appointed as a Whole Time Director of the company, not liable to retire by rotation, for a period of 3 (three) years commencing from 12<sup>th</sup> August, 2022 to 11<sup>th</sup> August, 2025, in accordance with the provisions of Section 196 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Act.

In terms of Section 196 of Companies Act, 2013, his appointment is subject to the approval by the shareholders of the company in the general meeting.

Pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2") and SEBI (LODR), Regulations, 2015, a brief profile and background of Sh. Kamendra Navratansingh Chauhan, including nature of his expertise, are provided herein below:

Sh. Kamendra Navratansingh Chauhan is a Science Graduate with Diploma in Marketing Management from Faculty of Management Studies, Delhi. He has over four decades of experience in Sales and Marketing of Petrochemicals in India and abroad and has worked with reputed companies.

|  |   |
|--|---|
| Name   | Sh. Kamendra Navratansingh Chauhan            |
| Date of Birth  | 8 <sup>th</sup> September, 1952               |
| Age  | 70 Years                                      |
| Date of first Appointment on Board   | 12 <sup>th</sup> August, 2022                 |
| Experience (including expertise in specific functional area)/ Brief Resume | 40 years of experience in sales and Marketing |
| Remuneration last drawn  | Rs. 2,76,000/- per month                      |
| No. of Meetings attended during the year                                   | Nil   |
| Relationship with other Directors/Key Managerial Personnel                 | Nil   |
| Directorships held in other companies                                      | Nil   |
| Membership/Chairmanship of committees of other companies                   | Nil   |
| Number of Shares held in the Company                                       | Nil   |



Notwithstanding the fact that Sh. Kamendra Navratansingh Chauhan will attain the age of 70 years on 8<sup>th</sup> September, 2022, the Nomination & Remuneration Committee and the Board of Directors of the Company are of the view that his experience and valuable guidance shall be beneficial to the Company. Hence it would be appropriate that he continues to serve on the board till the completion of his present term of appointment i.e. up to 11<sup>th</sup> August, 2025.

In the opinion of the Board, Sh. Kamendra Navratansingh Chauhan fulfills the conditions specified in the Companies Act, 2013 read with relevant rules issued thereunder and the Listing Regulations, for his appointment.

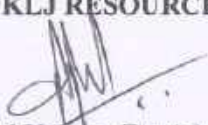
A copy of the draft Letter of Appointment for Whole Time Director, setting out terms and conditions of appointment of Whole Time Director is available for inspection at the Registered Office of the Company during business hours on any working day, by the members.

Accordingly, the Board recommends the special resolution set out at item no. 9 for approval of members.

Sh. Kamendra Navratansingh Chauhan is interested in this Resolution as the same relates to his appointment as Whole Time Director of the Company.

None of the other Directors or Key Managerial Personnel of the Company including their relatives is concerned or interested in the Resolution, financially or otherwise, except to the extent of their shareholding, if any, in the Company.

**By Order of the Board of Directors**  
**For KLJ RESOURCES LIMITED**

  
**(Ajai Kumar Gupta)**  
Company Secretary  
Membership No.: FCS 8020

5<sup>th</sup> September, 2022  
New Delhi



# KLJ RESOURCES LIMITED

Regd. Office: 8 Cammac Street, Kolkata, West Bengal – 700 017

CIN: L67120WB1986PLC041487

Form No. MGT-11

Proxy Form

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

36<sup>th</sup> Annual General Meeting – Friday, 30<sup>th</sup> September, 2022 at 10:00 A.M.

Name of the member(s):

Registered Address:

E-mail ID:

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

1. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

2. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

3. Nam[e: .....

Address: .....

E-mail Id: .....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual general meeting of the company to be held on Friday, 30<sup>th</sup> September, 2022 at 10.00 a.m. at 22, Ground Floor, Shanti Niketan Building, 8, Camac Street, Kolkata – 700 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution no.           | Resolution   | for | against |
|--------------------------|--|-----|---------|
| <b>ORDINARY BUSINESS</b> |  |     |         |
| 1.                       | Adoption of Standalone Annual Financial Statement and the Reports of the Board of Directors and Auditors thereon, for the Financial Year ended 31 <sup>st</sup> March, 2022. |     |         |
| 2.                       | Adoption of Consolidated Annual Financial Statement and the report of the Auditors thereon, for the Financial Year ended 31 <sup>st</sup> March, 2022.                       |     |         |
| 3.                       | To declare final dividend @ Rs. 0.25 per equity share of Rs. 10 each for the financial year 2021-22.   |     |         |
| 4.                       | Re-appointment of Smt. Kalpana Seth (DIN: 06949098), as a Director.  |     |         |
| 5.                       | Re-appointment of Statutory Auditors M/S Kumar Chopra and Associates for a second term of 5 years  |     |         |
| <b>SPECIAL BUSINESS</b>  |  |     |         |
| 6.                       | To ratify the remuneration of the Cost Auditors for the financial year ending 31 <sup>st</sup> March, 2023 (Ordinary Resolution).  |     |         |
| 7.                       | To increase the Borrowing limits of the Company under section 180(1)(c) of Companies Act, 2013. (Special Resolution)   |     |         |
| 8.                       | To create charge(s) on the movable and immovable properties of the Company under section 180(1)(a) of Companies Act, 2013 (Special Resolution)                               |     |         |
| 9.                       | Appointment of Sh. Kamendra Navratansingh Chauhan (DIN: 09695105), as a Whole Time Director of Company (Special Resolution)  |     |         |



Signed this..... day of..... 2022

Affix  
Revenue  
Stamp

.....  
Signature of shareholder

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

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 36<sup>th</sup> Annual General Meeting.

## **KLJ RESOURCES LIMITED**

Regd. Office: 8 Cammac Street, Kolkata, West Bengal – 700 017  
CIN: L67120WB1986PLC041487

**ATTENDANCE SLIP**

Registered Folio No. /DP ID No. /Client ID No.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
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|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

No. of shares held:

|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

I certify that I am a member/proxy/authorized representative for the member of the company. I hereby record my presence at the 36<sup>th</sup> Annual general meeting of the company on Friday, 30<sup>th</sup> September, 2022 at 10.00 a.m. at 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata – 700 017

.....  
Name of the member/proxy  
(in BLOCK letters)

.....  
Signature of shareholder / Proxy

**NOTE: Please fill the Folio/DP ID-Client ID No. and name and sign the Attendance Slip and hand it over at the Attendance verification Counter at the ENTRANCE OF THE MEETING HALL**

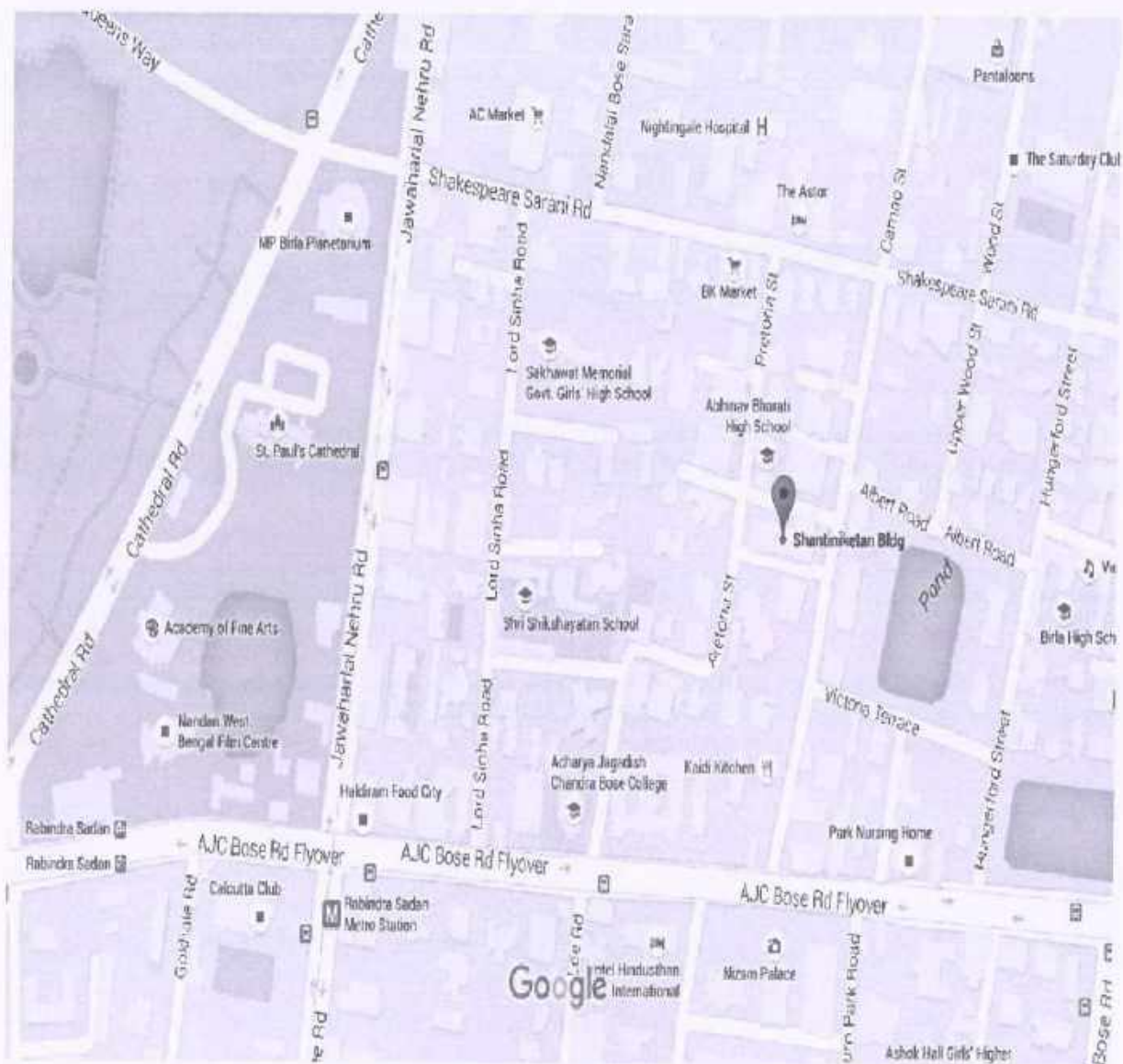
.....\*.....\*.....\*



## Route Map to the Venue of 36<sup>th</sup> Annual General Meeting of KLJ Resources Limited

Venue of meeting: 22, Ground Floor, Shanti Niketan Building, 8, Camac Street, Kolkata – 700 017

Google Maps





## DIRECTORS' REPORT

To  
The Members,  
KLJ Resources Limited

Your Company's Directors are pleased to present the 36<sup>th</sup> Annual Report of your Company together with the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL PERFORMANCE (STANDALONE)

(Rupees in lakhs)

| PARTICULARS   | Year ended<br>31 <sup>st</sup> March, 2022 | Year ended<br>31 <sup>st</sup> March, 2021 |
|---|--|--|
| Total Revenue   | 3,24,460.74                                | 2,13,614.76                                |
| Total Expenses  | 3,00,805.19                                | 1,86,868.55                                |
| <b>Profit before Finance Cost, Depreciation and Tax</b> | <b>24,795.60</b>                           | <b>27,689.10</b>                           |
| Finance Cost  | 611.80                                     | 566.11                                     |
| Depreciation  | 528.25                                     | 376.78                                     |
| <b>Profit before Tax</b>                                | <b>23,655.55</b>                           | <b>26,746.21</b>                           |
| Tax Expenses  | 6,171.91                                   | 6,832.32                                   |
| <b>Profit after Tax</b>                                 | <b>17,483.64</b>                           | <b>19,913.89</b>                           |
| Earnings Per Equity Share (Basic & Diluted)             | 162.79                                     | 185.42                                     |

### 2. PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has earned total revenue of Rs. 3,24,460.74 lakhs as compared to Rs. 2,13,614.76 lakhs in the corresponding previous year. EBIDTA for the year was Rs. 24,795.60 lakhs as compared to Rs. 27,689.10 lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 17,483.64 lakhs as against Rs. 19,913.89 lakhs in the previous year.

The state of affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of the Annual Report.

### 3. DIVIDEND

The Board of Directors of the company in its meeting held on 30<sup>th</sup> May, 2022 has recommended a final dividend of Rs. 0.25 per equity share of Rs. 10 each for financial year 2021-22 to be paid out of the profits of the company for financial year 2021-22. The total dividend outgo for the financial year 2021-22, amounts to Rs. 26.85 lakhs. The payment of final dividend is, subject to approval of the shareholders in the ensuing Annual General Meeting of the company and shall be subject to tax deducted at source.

### 4. RESERVES AND SURPLUS

Net surplus in the statement of Profit & loss for the financial year 2021-22 is carried to the Retained earnings.

### 5. CONSOLIDATED FINANCIAL STATEMENTS

As required under provisions of Companies Act, 2013 (hereinafter, the Act), and rules issued there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "SEBI Regulations"), Consolidated Financial Statement of the Company and its subsidiaries and associate form part of the Annual Report. The annual accounts of the Subsidiary Companies and the related detailed information shall be made available to Shareholders of the Company upon their request and it shall also be available on the website of the company i.e. [www.kljresources.in](http://www.kljresources.in).

### 6. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE BOARD REPORT

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

### 7. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year under review.

## 8. SUBSIDIARIES AND ASSOCIATE

The Company has following 8 (Eight) Subsidiaries and 1 (One) Associate Company as on 31<sup>st</sup> March, 2022. During the financial year 2021-22, no company has become or ceased to be subsidiary or associate of the Company.

| Sl. No. | Name of the Company                               | Status                  |
|---------|---|-------------------------|
| 1       | Altamonte Townships and Resorts Private Limited   | Wholly Owned Subsidiary |
| 2       | Brokenhills Townships and Resorts Private Limited | Wholly Owned Subsidiary |
| 3       | Springdale Townships and Resorts Private Limited  | Wholly Owned Subsidiary |
| 4       | Valley View Townships Private Limited             | Wholly Owned Subsidiary |
| 5       | KLJ Resources, DMCC                               | Wholly Owned Subsidiary |
| 6       | Sadhok Real Estate Private Limited                | Wholly Owned Subsidiary |
| 7       | AK Buildtech Private Limited                      | Wholly Owned Subsidiary |
| 8       | KLJ Speciality Chemicals Private Limited          | Wholly Owned Subsidiary |
| 9       | Hamlog Plastic Goods Private Limited              | Associate               |

As required under the first proviso to sub-section (3) of Section 129 of the Companies Act 2013, a separate statement containing the salient features of the financial statements of the subsidiaries and associate company in Form AOC-1 is attached to the consolidated financial statement of the company. The said form also highlights the financial performance of each of the subsidiaries and associate company included in the consolidated financial statement of the company, as required under Rule 8(1) of the Companies (Accounts) Rules 2014.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Kalpana Seth (DIN: 06949098), Director of the Company retires at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Nomination and Remuneration Committee of the Board and the Board of Directors recommends her re-appointment. A brief resume of Smt. Kalpana Seth proposed to be re-appointed, as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India is provided in notes to the notice forming part of the Annual Report.

Subsequent to the year under review, Sh. Kamlendra Navratansingh Chauhan (DIN: 09695105) was appointed as an Additional Director of the company effective from 12<sup>th</sup> August, 2022 designated as Whole Time Director for a period of 3 (three) consecutive years i.e. from 12<sup>th</sup> August, 2022 to 11<sup>th</sup> August, 2025, subject to the approval of the members in the ensuing Annual General Meeting.

## 10. NUMBER OF MEETINGS OF THE BOARD AND BOARD COMMITTEES

8 (Eight) meetings of the Board were held during the financial year 2021-22. For details of the meetings of the Board, please refer the Corporate Governance Report, which forms part of the Annual Report. The Company has the following Board Committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

Composition and other details of the Board Committees are provided in the Corporate Governance Report which forms part of the Annual Report.

## 11. BOARD AND INDIVIDUAL DIRECTORS PERFORMANCE EVALUATION

The Company has a policy for performance evaluation of the board, committees and individual Directors (including independent directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Regulations, the board carried out an annual evaluation of its performance as well as of its committees and individual Directors, including Chairman of the board. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated.

## 12. ANNUAL RETURN

A copy of the Annual Return of the company for the financial year ended 31<sup>st</sup> March, 2022, containing the particulars prescribed under section 92(3) read with section 134(3)(a) of the Companies Act, 2013 and the relevant rules issued



thereunder, in the form MGT-7 shall be uploaded post conclusion of ensuing Annual General Meeting, on the website of the company in the Investor Relations Section and can be accessed from <http://www.kljresources.in>.

### **13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Board has laid down internal financial Controls to be followed by the Company commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee and all significant audit observations and corrective actions are presented to the Committee. M/s Rakhecha & Co. Chartered Accountants, New Delhi (Firm Registration Number 02990N) are the Internal Auditors of the Company and have been entrusted to conduct Internal Audit of the functions and activities of the Company. The audit committee reviews the reports submitted by the internal auditors of the company and also seeks the views of statutory auditors on the adequacy of the internal control system in the company and keeps the board of directors informed of its major observations periodically.

Based on its evaluation, the audit committee is of opinion that, as of 31<sup>st</sup> March, 2022, the internal financial controls were adequate and operating effectively.

### **14. DECLARATION BY THE INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended. The Declarations received from all the Independent Directors were taken on record by the Board of Directors.

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

### **15. AUDITORS**

#### **(A) STATUTORY AUDITORS & AUDITOR'S REPORT**

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Kumar Chopra & Associates, Chartered Accountants (Firm Registration Number 000131N), were appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of 36<sup>th</sup> Annual General Meeting of the company to be held in the year 2022 (to carry out the statutory audit for financial year 2017-18 to 2021-22). The present term of Statutory Auditors expires at the conclusion of the ensuing Annual General Meeting.

M/s Kumar Chopra & Associates, Chartered Accountants (Firm Registration Number 000131N), being eligible for re-appointment, have confirmed their eligibility and have consented as such for their re-appointment under Section 141 of the Companies Act, 2013 and the rules framed there under as Statutory Auditors of the Company from the conclusion of ensuing 36<sup>th</sup> Annual General Meeting till the conclusion of 41<sup>st</sup> Annual General Meeting of the Company (to carry out the Statutory Audit of the Company for Financial Year 2022-23 to 2026-27). The Board recommends their re-appointment in the ensuing Annual General Meeting.

The Auditor's Report does not contain any qualification(s), reservation(s) or adverse remark(s). The Auditor's Report forms part of the Annual Report and is self-explanatory requiring no further elucidation.

#### **(B) COST AUDITORS, COST AUDIT REPORT AND MAINTENANCE OF COST RECORDS**

The Company is required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the company.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit records maintained by the Company are required to be audited. The Board, on the recommendations of the Audit Committee, has appointed M/s. Yogesh Gupta & Associates, Cost Accountants (Firm Registration Number 000373) New Delhi, as cost auditors for conducting the audit of cost records of the Company for the financial year 2021-22. In terms of provisions of section 148(3) of the Companies Act, 2013 read with Rule 14 (a) (ii) of the Company (Audit and Auditors) Rules, 2014, the remuneration of Cost Auditors for the aforementioned period is sought to be ratified by the members in the ensuing Annual General Meeting.

#### **(C) SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

M/s. Deepti Chawla & Associates, Company Secretaries (ICSI COP No. 8759), New Delhi, a firm of Company Secretaries in Practice have conducted Secretarial Audit of the Company for the financial year 2021-22. The Secretarial

Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is annexed herewith as **Annexure "I"** to this Report. The Secretarial Audit Report for the financial year 2021-22 does not contain any qualification(s), reservation(s) or adverse remark(s).

**16. NOMINATION AND REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

On the recommendation of Nomination and Remuneration Committee, the Company has formulated a Nomination and Remuneration Policy in terms of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laying down *inter alia*, the criteria for appointment and payment of remuneration to Directors, Key Managerial Personnel and Senior Employees of the Company, a summary of which is annexed as **Annexure "II"** to this Report. Details of the policy on appointment and remuneration are available on the website of the Company (URL: <http://www.kljresources.in>).

**17. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS**

A Report on Corporate Governance and Management Discussion and Analysis for the period ended 31<sup>st</sup> March, 2022, as stipulated under SEBI Regulations has been provided in a separate section and forms part of the Annual Report.

**18. PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

**19. AUDIT COMMITTEE**

The Audit Committee of the Board has been formed in compliance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee as on 31<sup>st</sup> March, 2022 comprises of two Independent Directors namely Sh. Ram Parkash Makan and Sh. Ranjit Ray Banthia and one Non-Executive Director namely Smt. Kalpana Seth. Other relevant details as required under SEBI Regulations have been given in the Corporate Governance Report which forms part of the Annual Report. The Board has accepted all the recommendations made by the Audit Committee during the year.

**20. VIGIL MECHANISM**

A Vigil Mechanism as per provision of section 177(9) of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been established for Directors and Employees to report to the management about suspected or actual frauds, unethical behavior or violation of the Company's code. The policy is intended to encourage and enable the employees of the Company to raise serious concerns within the organization rather than overlooking a problem or handling it externally. The Vigil Mechanism policy of the Company is available on the website of the Company (URL: <http://www.kljresources.in>).

**21. CORPORATE SOCIAL RESPONSIBILITY**

The Board has constituted a Corporate Social Responsibility (CSR) Committee of the Board under the Chairmanship of a Non-executive Director. Compositions of CSR Committee of the Company and other relevant details have been provided in the Corporate Governance Report which forms part of this Annual Report. "Promoting health care including preventive health care and sanitation" is the core area of CSR activities undertaken by the Company. In addition to such core CSR areas, the Company has always remained sensitive to the underprivileged people of the society and support them in improving their lives in the areas as provided in Schedule VII to the Act. The Corporate Social Responsibility policy of the Company is available on the website of the Company (URL: <http://www.kljresources.in>).

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR Activities has been annexed herewith and marked as **Annexure "III"** to this Board's Report.

**22. RISK MANAGEMENT POLICY**

The Company has structured a Risk Management policy in terms of section 134 of the Companies Act, 2013 read with the SEBI Regulations which is available on the website of the Company (URL: <http://www.kljresources.in>). The risk framework covers the management's approach and initiatives taken to mitigate a host of business and industry risks by identifying such risks and *inter alia* redefining processes, decision making authorities, authorization levels, risk and control documentation and reviewing these periodically. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Details of the same are set out in the Management Discussion and Analysis Report which forms part of the Annual Report.

**23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR(S) OR COURT(S) OR TRIBUNAL(S) IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review, there were no significant and material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status and company's operations in future.

**24. PARTICULARS OF FRAUDS, IF ANY, REPORTED UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

No frauds have been reported under sub-section (12) of Section 143 of the Companies Act, 2013 by the auditors of the Company.

**25. PARTICULARS OF EMPLOYEES**

The details as required in terms of provisions of Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure "IV"** to this Report.

**26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed as **Annexure "V"** to this report.

**27. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

In terms of Section 186 of the Companies Act, 2013 and rules framed there under, the details of loans given, investments made and guarantee provided in connection with a loan have been provided in the Notes to financial statements for the financial year 2021-22.

**28. TRANSACTIONS WITH RELATED PARTIES**

All related party contracts and/or arrangements entered by the Company during the financial year 2021-22 were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Regulations. All Related Party Transactions were placed before the Audit Committee for its prior approval. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, subsidiaries and associate Companies which might have a potential conflict with the interest of the Company. There were no transactions that were required to be reported in Form AOC-2 hence the said form does not form part of this report. However, the details of the transactions with Related Party (ies) have been provided in the Company's financial statements in accordance with the Indian Accounting Standard (Ind AS-24).

**29. DETAILS OF APPLICATION(S) OR PROCEEDING(S) PENDING AGAINST THE COMPANY UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

No application(s) were made or any proceeding(s) were pending against the company under the Insolvency and Bankruptcy Code, 2016.

**30. DETAILS OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND WHILE TAKING LOAN FROM BANK(S) OR FINANCIAL INSTITUTION(S)**

During the year under review, Rule 8 (5) (xii) of Companies (Accounts) Rules, 2014 was not applicable.

**31. SECRETARIAL STANDARDS**

The Company has complied with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India for the financial year 2021-22.

**32. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to provide a healthy work environment and thus does not tolerate any discrimination and/ or harassment in any form to its women employees. The Company has in place a policy for prevention, prohibition and redressal of Sexual Harassment in compliance with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 which is available on the website of the Company. An Internal Complaints Committee has been set up to redress complaints of women employees of the Company received regarding sexual harassment. All women employees whether permanent, contractual, temporary or trainees are covered under this policy. During the financial year 2021-22, nil complaints were received by the committee.

### **33. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down internal financial controls for the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **34. INDUSTRIAL RELATIONS**

During the year under review, the relations between the Management and the employees were highly cordial. Human resource initiatives such as skill up gradation, training, appropriate reward & recognition systems and productivity improvement were the key focus areas for development of the employees of the Company.

### **35. INVESTOR RELATIONS**

Your Company always endeavours to promptly respond to shareholders' requests/grievances. Each and every issue raised by the shareholders is taken up with utmost priority and every effort is made to resolve the same at the earliest. The Stakeholders Relationship Committee of the Board periodically reviews the status of the redressal of investors' grievances.

### **36. ACKNOWLEDGEMENT**

Your Directors wish to place on record the sincere and dedicated efforts of all the employees of the Company. Your Directors also take this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, valued customers and all the stakeholders for their continued support, co-operation and assistance.

**For and on behalf of Board of Directors of  
KLJ RESOURCES LIMITED**

  
**(Hemant Jain)**  
Managing Director  
DIN: 00506995

  
**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

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

To  
The Members  
**KLJ Resources Limited**  
8 Cammac Street  
Kolkata-700 017

I, **Deepti Chawla**, Proprietor of **Deepti Chawla & Associates**, Company Secretaries have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KLJ Resources Limited (CIN: L67120WB1986PLC041487)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; -
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable to the Company during the period of audit
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable to the Company during the period of audit





- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the Company during the period of audit and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable to the Company during the period of audit
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and Environment (Protection) Act, 1986

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

- Secretarial Standards issued by The Institute of Company Secretaries of India;
- The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed along with this Report and forms an integral part thereof.

**For Deepti Chawla & Associates  
Company Secretaries**

  
Deepti Chawla  
Proprietor  
FCS No.: 11445  
C P No.: 8759



Place : New Delhi

Date : 1st September 2022

UDIN: F011445D000888728

P.R Cert no. 2578/2022 dated 14<sup>th</sup> August, 2022

To  
The Members  
KLJ Resources Limited  
B Cammar Street  
Kolkata-700 017

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

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

For Deepti Chawla & Associates  
Company Secretaries

  
Deepti Chawla  
Proprietor  
FCS No.: 11445  
C P No.: 8759



Place: New Delhi  
Date: 1<sup>st</sup> September 2022  
UDIN: F011445D000888728  
P.R Cert no. 2578/2022 dated 14th August, 2022

## POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

### A. Introduction

This Policy on Directors Appointment and Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel has been formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 (the Act) and SEBI Regulations by the Nomination and Remuneration Committee of the Directors of the Company.

### B. Definitions

**Directors:** Directors other than Managing Director(s) and Whole-time Director(s) appointed under the provisions of the Companies Act, 2013 and rules made there under.

**Key Managerial Personnel:** Managing Director, Chief Financial Officer and Company Secretary.

**Senior Management Personnel:** Members of the Corporate Leadership Team of the Company and Key Managerial Personnel.

### C. Terms of Reference

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee. Its terms of reference are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Formulation of policies for remuneration to Directors, Key Managerial Personnel and Senior Management Personnel.
- Identification and recommendation to Board, the name(s) of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management Personnel in accordance with the criteria laid down.
- Recommend to the Board on appointment and removal of Directors, Key Managerial Personnel, and Senior Management Personnel.

### D. Criteria for recommending a person to become a Director

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board, the appointment of Director(s).

#### 1. Qualifications & Experience

The incumbent should have appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

#### 2. Attributes/Qualities

The incumbent Director should have one or more of the following attributes:

- Respect for and strong willingness to imbibe the Company's Core Values.
- Honesty and Professional integrity.
- Strategic capability with business vision.
- Entrepreneurial spirit and track record of achievements.
- Ability to be independent.
- Capable of lateral thinking.
- Reasonable financial expertise.
- Association in the fields of Business/Corporate world/Finance/Education/Community Service.

### E. Eligibility Criteria & Remuneration of Key Managerial Personnel & Senior Management Personnel

The eligibility criteria for appointment of key managerial personnel and senior management personnel shall be in accordance with the job description of the relevant position. In particular, the position of Key Managerial Personnel should be filled by senior personnel having relevant qualifications and experience.

The remuneration structure for Key Managerial Personnel and Senior Management Personnel shall be as per the Company's remuneration structure taking into account factors such as level of experience, qualification, performance and suitability which shall be reasonable and sufficient to attract, retain and motivate them.



The remuneration may consist of fixed and incentive pay/retention bonus reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The aforesaid employees may also be provided any facility, perquisites, commission, accommodation, interest free loans or loans at concessional rate in accordance with the policies framed for the employees or any category thereof. However loan to the Directors who are KMPs shall be governed by such approvals as may be required by the Companies Act, 2013.

**For and on behalf of Board of the directors of  
KLJ RESOURCES LIMITED**

**(Hemant Jain)**  
Managing Director  
DIN: 00506995

**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi



**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR 2021-22**

*[Pursuant to Section 135 of the Companies Act 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021]*

|          |   |  |
|----------|---|--|
| <b>1</b> | <b>Brief outline on CSR Policy of the Company</b> | Company's CSR policy is focused on enhancing the lives of the people. The Company has identified to promote its CSR activity in the specific area of health care including Preventive health care and sanitation. However, in furtherance of the Company's CSR initiatives, it may take up one or more additional projects/programmes covered under Schedule VII of the Act as recommended by the CSR Committee. |
|----------|---|--|

**2. Composition of CSR Committee:**

| Sl. No. | Name of Director       | Designation /Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------------|-------------------------------------|--|--|
| 1.      | Smt. Kalpana Seth      | Chairperson                         | 3  | 3  |
| 2.      | Sh. Ram Parkash Makan  | Member                              | 3  | 3  |
| 3.      | Sh. Ranjit Ray Banthia | Member                              | 3  | 3  |

|           |  |                     |
|-----------|--|---------------------|
| <b>3.</b> | Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company | www.kljresources.in |
|-----------|--|---------------------|

|           |  |                |
|-----------|--|----------------|
| <b>4.</b> | Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable | Not Applicable |
|-----------|--|----------------|

|           |   |
|-----------|---|
| <b>5.</b> | Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any |
|-----------|---|

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (Rs. in lakhs) | Amount required to be set-off for the financial year, if any (Rs. in lakhs) |
|---------|----------------|--|---|
| 1       | 2020-21        | 0.58   | 0.58  |
| 2       | 2021-22        | 1.8  | 1.8   |
|         | <b>TOTAL</b>   | <b>2.38</b>  | <b>2.38</b>   |

|           |  |           |
|-----------|--|-----------|
| <b>6.</b> | Average net profit of the Company as per Section 135(5) (Rs. in lakhs) | 12,626.50 |
|-----------|--|-----------|

|           |   |        |
|-----------|---|--------|
| <b>7.</b> | (a) Two percent of average net profit of the Company as per Section 135(5) (Rs. in lakhs) | 252.53 |
|-----------|---|--------|

|            |  |     |
|------------|--|-----|
| <b>(b)</b> | Surplus arising out of the CSR projects or programmes or activities of the previous financial years (Rs. in lakhs) | Nil |
|------------|--|-----|

|            |   |      |
|------------|---|------|
| <b>(c)</b> | Amount required to be set off for the financial year, if any (Rs. in lakhs) | 0.58 |
|------------|---|------|

|            |  |        |
|------------|--|--------|
| <b>(d)</b> | Total CSR obligation for the financial year (7a+7b- 7c) (Rs. in lakhs) | 251.95 |
|------------|--|--------|

|           |  |  |
|-----------|--|--|
| <b>8.</b> | (a) CSR amount spent or unspent for the financial year 2021-22 |  |
|-----------|--|--|

| Total Amount Spent for the financial year (Rs. in lakhs) | Amount Unspent (Rs. in lakhs)   |                  |   |        |                  |
|--|---|------------------|---|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per Section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) |        |                  |
|  | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |
| 254.33   | Nil   | -                | -   | Nil    | -                |

| 8. (b) Details of CSR amount spent against ongoing projects for the financial year 2021-22 |                     |   |                     |                         |          |                  |                                  |  |   |                                      | (Rs. in lakhs)                                       |                          |
|--|---------------------|---|---------------------|-------------------------|----------|------------------|----------------------------------|--|---|--------------------------------------|--|--------------------------|
| (1)  | (2)                 | (3)   | (4)                 | (5)                     |          | (6)              | (7)                              | (8)  | (9)   | (10)                                 | (11)   |                          |
| Sl. No.  | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project |          | Project duration | Amount allocated for the project | Amount spent in the current financial year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation-Direct Yes/No | Mode of Implementation – Through Implementing Agency |                          |
|  |                     |   |                     | State                   | District |                  |                                  |  |   |                                      | Name   | CSR Registration number. |
| Nil  |                     |   |                     |                         |          |                  |                                  |  |   |                                      |  |                          |

| 8 (c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22 |  |   |                     |   |           |                              |  | (Rs. in lakhs)                                       |                      |
|--|--|---|---------------------|---|-----------|------------------------------|--|--|----------------------|
| (1)  | (2)  | (3)   | (4)                 | (5)                                     |           | (6)                          | (7)                                      | (8)  |                      |
| Sl. No.  | Name of the Project  | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project                 |           | Amount spent for the project | Mode of implementation - Direct (Yes/No) | Mode of implementation – Through implementing agency |                      |
|  |  |   |                     | State                                   | District  |                              |  | Name   | CSR Registration No. |
| 1.   | Healthcare including preventive health care and sanitation | (i)   | Yes                 | Haryana                                 | Faridabad | 172.40                       | Yes                                      | NA   | NA                   |
| 2.   | Health, education and Skill development activity           | (ii)  | Yes                 | Delhi (spread in Jaipur, Pune & indore) | Central   | 26.50                        | No                                       | JITO Administrative Training Foundation              | CSR00010876          |
|  |  | (i) & (iii)   | Yes                 | Delhi                                   | West      | 50.00                        | No                                       | Sumermal Patawari Trust                              | CSR00004011          |
|  |  | (i)   | Yes                 | Delhi                                   | Delhi     | 5.43                         | Yes                                      | NA   | NA                   |
| <b>TOTAL</b>   |  |   |                     |   |           | <b>254.33</b>                |  |  |                      |

|     |  |        |
|-----|--|--------|
| (d) | Amount spent in Administrative Overheads (Rs. in lakhs)                | Nil    |
| (e) | Amount spent on Impact Assessment, if applicable                       | Nil    |
| (f) | Total amount spent for the financial year (8b+8c+8d+8e) (Rs. in lakhs) | 254.33 |
| (g) | Excess amount for set off, if any (Rs. in lakhs)                       | 1.8    |

| Sl. No. | Particulars  | Amount (Rs. in lakhs) |
|---------|--|-----------------------|
| (i)     | Two percent of average net profit of the Company as per Section 135(5)     | 252.53                |
| (ii)    | Total amount spent for the financial year                                  | 254.33                |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]                      | 1.8                   |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the | Nil                   |



|     |   |     |
|-----|---|-----|
|     | previous financial years, if any  |     |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 1.8 |

| 9                | (a)    | Details of Unspent CSR amount for the preceding three financial years |                          |  |  |   | (Rs. in lakhs) |  |
|------------------|--------|---|--------------------------|--|--|---|----------------|--|
|                  |        | Sl. No.   | Preceding financial year | Amount transferred to Unspent CSR Account under Section 135(6) | Amount spent in the reporting financial year | Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any |                |  |
| Name of the Fund | Amount |   |                          |  |  | Date of transfer  |                |  |
| Nil              |        |   |                          |  |  |   |                |  |

| (b)            | Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) |                     |   |                  |  |   |  | (Rs. in lakhs)                              |
|----------------|---|---------------------|---|------------------|--|---|--|---|
| (1)            | (2)   | (3)                 | (4)   | (5)              | (6)                                    | (7)   | (8)  | (9)   |
| Sl. No.        | Project ID  | Name of the Project | Financial year in which the project was commenced | Project duration | Total amount allocated for the project | Amount spent on the project in the reporting financial year | Cumulative amount spent at the end of reporting financial year | Status of the project - Completed / Ongoing |
| Not applicable |   |                     |   |                  |  |   |  |   |

|     |   |  |  |
|-----|---|--|--|
| 10. | In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year |  |  |
| (a) | Date of creation or acquisition of the capital asset(s)   |  | As per table provided below  |
| (b) | Amount of CSR spent for creation or acquisition of capital asset  |  |  |
| (c) | Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.                                |  | Sumermal Patawari Trust<br>(CSR Registration No. CSR00004011)<br>Add: 69/5A, Najafgarh Road, New Delhi- 110015 |
| (d) | Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)                                    |  | As per table provided below  |

| Asset Description   | Date of creation/acquisition  | Amount (Rs. in lakhs)   | Address   |
|---------------------|---|---|---|
| Dispensary & Creche | Not applicable.<br>However, as per Rule 7(4) of Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, Dispensary & Creche situated at Sector-77, Faridabad, Haryana, has been transferred in favour of 'Sumermal Patawari Trust' (CSR Registration No. CSR00004011) | 172.40.<br>The said amount has been spent towards balance payment and statutory dues. | Sector-77, Village Neemka, Sub-Tehsil Tigaon, District Faridabad, Haryana |

|     |  |                |
|-----|--|----------------|
| 11. | Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) | Not applicable |
|-----|--|----------------|

For and on behalf of Board of Directors of  
KLJ RESOURCES LIMITED

  
(Kalpana Seth)  
Chairperson, CSR Committee  
DIN: 06949098

  
(Dilip Kumar Karn)  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi

**Part-I**
**Details of Remuneration of Employees and Directors**

(Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

And

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

| Name                          | Designation             | Directors Remuneration to Median Remuneration | Percentage increase in Remuneration |
|-------------------------------|-------------------------|---|-------------------------------------|
| <b>Executive Director</b>     |                         |   |                                     |
| Hemant Jain                   | Managing Director       | 464.75:1                                      | 233                                 |
| Suresh Chand Jalther          | Chief Financial Officer | -   | 25                                  |
| Ajai Kumar Gupta              | Company Secretary       | -   | 3                                   |
| <b>Non-Executive Director</b> |                         |   |                                     |
| Dilip Kumar Karn              | Director                | 0.05:1  | 33                                  |
| Kalpana Seth                  | Director                | 0.05:1  | 33                                  |
| Ram Parkash Makan             | Director                | 0.14:1  | 129                                 |
| Ranjit Ray Banthia            | Director                | 0.14:1  | 129                                 |

Note: Remuneration includes sitting fees for Non-Executive (Non-Independent) Directors and Non-Executive Independent Directors.

- iii. The percentage increase in the median remuneration of employees in the financial year 2021-22: **16.52%**  
 iv. The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022: **100**  
 v. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

|   | % change in remuneration |
|---|--------------------------|
| Average increase in salary of employees (other than managerial personnel) | 0.42                     |
| Average increase in remuneration of managerial personnel                  | 224                      |

- vi. **Affirmation:**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.



**Part-II**


**[Details of Employees]**

**Section 197 of the Companies Act, 2013 and Rule 5 (2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| Sl. No. | Particulars   | Details   |
|---------|---|---|
| 1.      | Name  | Sh. Hemant Jain   |
| 2.      | Designation   | Managing Director   |
| 3.      | Remuneration (including Performance based Commission) | Rs. 27.23 crore   |
| 4.      | Nature of Employment                                  | Contractual   |
| 5.      | Qualification and Experience of the Employee          | B.Com (Delhi University) and M.B.A (Harvard university)<br>Experience: 26 Years |
| 6.      | Date of Commencement of Employment                    | 1 <sup>st</sup> April, 2009   |
| 7.      | Age   | 51 years  |
| 8.      | Last employment held before joining the Company       | NA  |
| 9.      | Relationship with other Directors                     | NIL   |

**For and on behalf of Board of Directors of  
KLJ RESOURCES LIMITED**

  
**(Hemant Jain)**  
Managing Director  
DIN: 00506995

  
**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi

**A. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**
**Conservation of Energy**

Company continues to take measures towards conservation of energy through optimum utilization of energy and other resources. Utilization of energy intensive machines, procurement of energy efficient technologies etc. is done as part of energy conservation measures. The Company has been consistent in its efforts to conserve energy and natural resources and reduce consumption of power, fuel, oil, water and other energy sources by following strict adherence to:

1. Power saving processes and methods
2. Installation of Auto Power Cut-Off for electrical energy consumption.
3. Energy saving in utility by proper machine planning.
4. Proper training to the employees and workforce to ensure minimum wastage of energy and natural resources.

**Technology Absorption**

The Company has indigenized and absorbed technological changes. The Company continuously strives to meet international standards of precision through improvisation of existing processes, innovation and adaptation of new technologies and methods. The product quality has improved significantly due to better utilization of machines, improvised processes and enhanced precision.

**B. FOREIGN EXCHANGE EARNINGS AND OUTGO**
**3. Value of Imports calculated on CIF Basis**

(Rupees in lakhs)

| Sl. No. | Particulars           | 2021-22     | 2020-21     |
|---------|-----------------------|-------------|-------------|
| 1.      | Materials (Chemicals) | 2,28,673.17 | 1,42,963.40 |

**4. Expenditure in Foreign Currency during the Year:**

(Rupees in lakhs)

| Sl. No. | Particulars                | 2021-22      | 2020-21      |
|---------|----------------------------|--------------|--------------|
| 1.      | Interest on LC financed    | 15.31        | 68.28        |
| 2.      | Travelling & Tour          | 34.46        | 23.60        |
| 3.      | Business Promotion         | 4.78         | -            |
| 4.      | Membership & Subscriptions | 14.89        | 6.50         |
|         | <b>Total</b>               | <b>69.44</b> | <b>98.38</b> |

**5. Earning in Foreign Exchange**

(Rupees in lakhs)

| Sl. No. | Particulars                                | 2021-22         | 2020-21         |
|---------|--|-----------------|-----------------|
| 1.      | Export of Goods calculated on F.O.B. basis | 1,003.09        | 2,156.23        |
|         | <b>Total</b>                               | <b>1,003.09</b> | <b>2,156.23</b> |

For and on behalf of Board of Directors of  
KLJ RESOURCES LIMITED

  
(Hemant Jain)  
Managing Director  
DIN: 00506995

  
(Dilip Kumar Karn)  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi

## CORPORATE GOVERNANCE REPORT

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's corporate governance philosophy is founded on the principles of fair and transparent business practices. The governance structures are created to protect the interests of and generate long term sustainable value for all stakeholders – customers, employees, partners, investors and the community at large. The business of the Company is governed and supervised by Board of Directors and together with the management they are committed to uphold the principles of excellence across all activities.

### II. BOARD OF DIRECTORS

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Board of Directors is entrusted with the ultimate responsibility of the management, corporate affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The functional Management of the Company is headed by the Managing Director of the company and has functional heads for every department, which look after the management of the day-to-day affairs of the Company.

#### a) Composition of Board

Your Company's Board has an optimum combination of Executive and Non-Executive Directors having adequate knowledge and experience for providing strategic guidance and direction to the Company. As on 31<sup>st</sup> March, 2022, the Board of Directors comprised of 5 (five) directors out of which 2 (two) were Independent Directors. The Board is headed by a Non-Executive Chairman. Accordingly, the composition of the Board as on 31<sup>st</sup> March, 2022, was in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter "SEBI Regulations") read with Section 149 of the Companies Act, 2013. The Composition of the Board as on 31<sup>st</sup> March, 2022 is as appended below:

| Sl. No. | Name of Director       | DIN      | Category                           | Date of Joining the Board | No. of Shares held in the Company |
|---------|------------------------|----------|------------------------------------|---------------------------|-----------------------------------|
| 1.      | Sh. Hemant Jain        | 00506995 | Executive/Managing Director        | 01/10/2005                | 1315200                           |
| 2.      | Sh. Dilip Kumar Karn   | 00061804 | Non-Executive Director/ Chairman   | 10/10/1997                | 900                               |
| 3.      | Smt. Kalpana Seth      | 06949098 | Non-Executive Director             | 14/08/2014                | 900                               |
| 4.      | Sh. Ram Parkash Makan  | 08574991 | Non-Executive Independent Director | 14/11/2019                | -                                 |
| 5.      | Sh. Ranjit Ray Banthia | 08725401 | Non-Executive Independent Director | 18/05/2020                | -                                 |

Subsequent to the year under review, Sh. Kamendra Navratansingh Chauhan was appointed as an Additional Director on the board and designed as Whole Time Director of the Company for a period of three consecutive years, effective from 12<sup>th</sup> August, 2022.

#### b) Board Meetings and Board Procedures

During the year, the Board of the Company met 8 (eight) times on 06<sup>th</sup> April, 2021, 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 03<sup>rd</sup> September, 2021, 14<sup>th</sup> October, 2021, 08<sup>th</sup> November, 2021, 30<sup>th</sup> December, 2021 and 11<sup>th</sup> February, 2022. The maximum gap between any two Board meetings was less than 120 days as stipulated by Section 173 of the Companies Act, 2013 read with SEBI Regulations. Meetings of the Board were generally held at Corporate Office of the Company situated at New Delhi.

All the members of the Board were provided with requisite information as required as per SEBI Regulations well before the Board Meeting. None of the Directors is disqualified for appointment as director under Section 164 of the Companies Act, 2013.

Further, the company has received a certificate from Ms. Deepti Chawla, Practicing Company Secretary (ICSI CP No. 8759), New Delhi, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such other statutory authority.

The Board of Directors of your Company plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibility and accountability are clearly defined. All relevant information as mandated by the regulations is placed before the Board. The Board reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify the instances of non-compliances, if any.

**c) skills/competence/expertise of the Board of Directors**

The major skills/competencies/expertise held by the Directors are summarized below:

| Name of Directors  | Category of Directors             | Skills/expertise  |
|--------------------|-----------------------------------|---|
| Hemant Jain        | Managing Director                 | Chemical Industries, sales, marketing, procurement, commercial, board governance, production and technical, project set-up, strategic planning, business management and a broad perspective on global market opportunities. |
| Dilip Kumar Karn   | Chairman & Non-executive Director | Chemical industry experience, Accounts and finance, general management, practical understanding of organizations'.  |
| Kalpana Seth       | Non-Executive Director            | Chemical industry experience, sales and marketing   |
| Ram Parkash Makan  | Non-Executive & Independent       | Business and general management   |
| Ranjit Ray Banthia | Non-Executive & Independent       | Plastics and Real Estate Industry experience, Business management, business associations, Financial expertise.  |

**d) Details of Familiarization Programme**

Details of familiarization programme of the Independent directors are available on the website of the Company ([URL:http://www.kljresources.in](http://www.kljresources.in)).

**e) Inter-se relationship**

The Directors of the Company are not related inter- se.

**f) Directors' Attendance Record and Directorships**

Attendance of Directors at Board Meetings during the year, last Annual General Meeting ("AGM") and details of other Directorship and Chairmanship/Membership of Committees of each Director are appended below:

| Sl. No. | Name of Directors <sup>1</sup> | No. of other Directorship <sup>1</sup> | No. of Committee Memberships / Chairmanships in other Indian Public Companies |                       | Attendance Particulars |          |                                 | Directorship in other Listed Entity (Category of Directorship) |
|---------|--------------------------------|--|---|-----------------------|------------------------|----------|---------------------------------|--|
|         |                                |  | Member <sup>2</sup>   | Chairman <sup>2</sup> | No. of Board Meetings  |          | Attendance at last AGM Attended |  |
|         |                                |  |   |                       | Held                   | Attended |                                 |  |
| 1.      | Sh. Hemant Jain                | Nil                                    | Nil   | Nil                   | 8                      | 5        | No                              | -  |
| 2.      | Sh. Dilip Kumar Karn           | Nil                                    | Nil   | Nil                   | 8                      | 8        | Yes                             | -  |
| 3.      | Smt. Kalpana Seth              | 1                                      | Nil   | 1                     | 8                      | 8        | Yes                             | KLJ Plastics Limited (Non-Executive director)                  |
| 4.      | Sh. Ram Parkash Makan          | Nil                                    | Nil   | Nil                   | 8                      | 8        | No                              | -  |
| 5.      | Sh. Ranjit Ray Banthia         | Nil                                    | Nil   | Nil                   | 8                      | 8        | No                              | -  |

**Notes:**

1. The Directorships held by Directors as mentioned above does not include KLJ Resources Limited, alternate directorships and directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.
2. In accordance with the SEBI Regulations, Memberships /Chairmanships of only the Audit Committees and Stakeholders Relationship Committee of all other public limited Companies have been considered.

**g) Independent Directors**

The Company currently has 2 Non-Executive Independent Directors which comprise 40% of the total strength of the Board of Directors. During the year under review, no independent Director has resigned from the company.

Based on the confirmations/declarations received from the Independent directors, the Board opines that all the Independent Directors fulfill the conditions of independence as specified in the SEBI (LODR), Regulations, 2015 and are independent of the management.

**h) Independent Directors Meeting**

The Independent Directors met once during the year under review on 09<sup>th</sup> June, 2021 without the attendance of Non-Independent Directors. Both the Independent Directors namely Sh. Ram Parkash Makan and Sh. Ranjit Ray Banthia were present in that meeting. The appointment of Independent Directors is in compliance with Section 149 read with schedule IV of the Companies Act, 2013 and with the provision of SEBI Regulations.

The Independent Directors in the said meeting had, *inter alia* reviewed the performance of non-Independent directors and the Board as a whole and the performance of the chairperson of the company, taking into account the views of executive director and Non-executive directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**i) Remuneration of Directors**

The remuneration of Managing Director is fixed by the Board of Directors upon the recommendation of Nomination and Remuneration committee and approved by the shareholders of the Company. The remuneration to Managing Director and Notice period are as per his terms of appointment agreed to between the company and the Managing Director. The Non-Executive Directors are paid sitting fees for attending the Board Meetings. No Commission was paid to any Non-Executive Director for Financial Year 2021-2022. There are no severance fees payable to the Directors. The Company has not granted any Stock option(s) to its Directors.

Details of remuneration paid to the Executive Director of the Company and sitting fees paid to non-executive directors for the Financial Year 2021-22 have been provided below:

• **Executive Director/Managing Director**

| (Rupees in lakhs) |         |            |          |
|-------------------|---------|------------|----------|
| Name of Director  | Salary* | Commission | Total    |
| Sh. Hemant Jain   | 208.45  | 2,515.00   | 2,723.45 |

\*Salary includes basic salary, perquisites and allowances, contribution to provident fund etc.

• **Details of sitting fees paid to the Non-Executive Directors during the Financial Year 2021-22 are as mentioned below:**

| (Rupees in lakhs) |                        |              |
|-------------------|------------------------|--------------|
| Sl. No.           | Name of Directors      | Sitting Fees |
| 1.                | Sh. Ram Parkash Makan  | 0.80         |
| 2.                | Sh. Ranjit Ray Banthia | 0.80         |
| 3.                | Sh. Dilip Kumar Karn   | 0.32         |
| 4.                | Smt. Kalpana Seth      | 0.32         |

**III. COMMITTEES OF BOARD**

**a. Audit Committee**

The Board of the Company has duly constituted an Audit Committee, comprising of three Directors. As at 31<sup>st</sup> March, 2022, the Audit Committee comprised of one non-executive and two independent directors. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and SEBI Regulations. All the members of the Committee were provided with requisite information as required by the SEBI Regulations.

The terms of reference of the Audit Committee include those specified under Regulation 18 of the SEBI Regulations as well as under Section 177 of the Companies Act, 2013 which *inter alia* include:

- to oversee the Company's financial reporting process and disclosure of its financial information,
- to recommend appointment, remuneration and terms of appointment of the Auditors of the Company,
- to review and monitor the Auditor's independence and performance, and effectiveness of audit process,
- to review quarterly and annual financial statements before submission to the Board and to advice and make recommendations to the Board on matters related to financial management of the Company, including Audit Reports,
- to approve or subsequently modify the transactions of the Company with the related parties,
- to scrutinize the inter-corporate loans and investments,
- to assess the value of undertakings or assets of the Company, whenever it is necessary,
- to review and discuss with Auditors about internal control system, major accounting policies and practices reviewing financial and Risk management policy of the company, in compliance with the SEBI Regulations and legal requirements concerning financial statements,
- to monitor the end use of funds raised through public offers and related matters and
- to carry out any other functions as mentioned in terms of reference to the Audit Committee.

The Committee met 5 (Five) times during the year under review. The meetings were held on 6<sup>th</sup> April, 2021, 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 8<sup>th</sup> November, 2021 and on 11<sup>th</sup> February, 2022. The Company Secretary of the Company acts as the Secretary to the Audit Committee. The composition of the Audit Committee and the attendance of the members at the Meetings were as follows:

| Sl. No. | Name of Member         | Status      | No. of Meetings during the financial year 2021-22 |          |
|---------|------------------------|-------------|---|----------|
|         |                        |             | Held  | Attended |
| 1.      | Sh. Ranjit Ray Banthia | Chairperson | 5   | 5        |
| 2.      | Sh. Ram Parkash Makan  | Member      | 5   | 5        |
| 3.      | Smt. Kalpana Seth      | Member      | 5   | 5        |

**b. Nomination And Remuneration Committee**

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Regulations, the Board has constituted the Nomination and Remuneration Committee. The Committee *inter alia* reviews and approves the Annual salaries, commission, service agreements and other employment conditions for the Executive Director and senior management. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. As on 31<sup>st</sup> March, 2022, the Committee comprises of one non-executive and two independent Directors.

The role of Nomination and Remuneration Committee is as follows:

- to determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- to determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- to identify candidates who are qualified to become Directors and recommend to the Board their appointment and removal;
- to review and determine all elements of remuneration package of Executive Director, i.e. salary, benefits, bonuses, pension etc;
- to review and determine fixed component and performance linked incentives for Directors, along with the performance criteria;
- to determine policy on service contracts, notice period, severance fees for Directors and Senior Management;
- to formulate criteria for evaluation of each Director's performance and performance of the Board as a whole.

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration committee of the board. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

The Committee met two times, during the year under review. The Company Secretary of the Company acts as the Secretary to the Committee. The meeting was held on 2<sup>nd</sup> September, 2021 and 2<sup>nd</sup> November, 2021. The composition and the attendance of members at the meetings were as follows:

| Sl. No. | Name of Member         | Status      | No. of Meetings during the financial year 2021-22 |          |
|---------|------------------------|-------------|---|----------|
|         |                        |             | Held  | Attended |
| 1.      | Sh. Ranjit Ray Banthia | Chairperson | 2   | 2        |
| 2.      | Sh. Ram Parkash Makan  | Member      | 2   | 2        |
| 3.      | Smt. Kalpana Seth      | Member      | 2   | 2        |

**c. Stakeholders' Relationship Committee**

In terms of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted a Stakeholders' Relationship Committee. The Committee *inter alia* looks into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports. During the year, the committee met 4 (four) times. The Meetings were held on 05<sup>th</sup> April, 2021, 7<sup>th</sup> July, 2021, 05<sup>th</sup> October, 2021 and on 10<sup>th</sup> January, 2022.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

| Sl. No. | Name of Member        | Status      | No. of Meetings during the financial year 2021-22 |          |
|---------|-----------------------|-------------|---|----------|
|         |                       |             | Held  | Attended |
| 1.      | Smt. Kalpana Seth     | Chairperson | 4   | 4        |
| 2.      | Sh. Dilip Kumar Karn  | Member      | 4   | 4        |
| 3.      | Sh. Ram Parkash Makan | Member      | 4   | 4        |

During the year under review, Nil complaints were received and hence as on 31<sup>st</sup> March, 2022, there were Nil complaints pending with the Company. Sh. Ajai Kumar Gupta, Company Secretary of the Company acts as the Secretary to the Committee.

**d. Corporate Social Responsibility Committee**

The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) of the Board in terms of the requirements of Section 135 of the Companies Act, 2013 and Rules framed thereunder. As on 31<sup>st</sup> March, 2022, the CSR Committee consists of two independent Directors and one non-executive Director. Smt. Kalpana Seth is the Chairperson of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

Pursuant to the provisions of the CSR Policy of the Company, the CSR Committee met 3 (three) times during the year under review i.e. on 16<sup>th</sup> July, 2021, 01<sup>st</sup> September, 2021 and 31<sup>st</sup> March, 2022. Members of the CSR Committee and their attendance at the meeting are detailed below:

| Sl. No. | Name of Member         | Status      | No. of Meetings during the financial year 2021-22 |          |
|---------|------------------------|-------------|---|----------|
|         |                        |             | Held  | Attended |
| 1.      | Smt. Kalpana Seth      | Chairperson | 3   | 3        |
| 2.      | Sh. Ram Parkash Makan  | Member      | 3   | 3        |
| 3.      | Sh. Ranjit Ray Banthia | Member      | 3   | 3        |

The Committee *inter alia* recommends the amount to be spent on CSR Projects/ Programmes undertaken by the Company and ensures implementation of the same in line with the CSR Policy of the Company.

**IV. SUBSIDIARY MONITORING FRAMEWORK**

As on 31<sup>st</sup> March, 2022, the Company has seven wholly owned Subsidiaries in India and one wholly owned Subsidiary based in UAE. KLJ Speciality Chemicals Private Limited' has become Wholly Owned Subsidiary of the company with effect from 20<sup>th</sup> July, 2021. None of the subsidiaries of the Company is a material subsidiary in terms of SEBI Regulations. The policy for determining 'material subsidiaries' is available on the website of the company and can be accessed at [www.kljresources.in](http://www.kljresources.in).

Financial Statements, in particular the investments made by the unlisted Subsidiary Companies, are reviewed by the Audit Committee of the Company. Minutes of the meetings of the unlisted Indian Subsidiary Companies are placed before the Company's Board. A statement containing significant transactions and arrangements entered into by the unlisted Subsidiary Companies is placed before the Company's Board.

#### V. COMPLIANCE OFFICER

The Board has designated Sh. Ajai Kumar Gupta, Company Secretary as Compliance Officer of the Company.

#### VI. GENERAL BODY MEETINGS

- The last three Annual General Meetings were held as under:

| Financial Year | Date                             | Time       | Venue  | No. of Special Resolution Passed |
|----------------|----------------------------------|------------|--|----------------------------------|
| 2018-2019      | 30 <sup>th</sup> September, 2019 | 10.00 A.M. | 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata-700 017 | 1                                |
| 2019-2020      | 30 <sup>th</sup> September, 2020 | 10.00 A.M. | 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata-700 017 | -                                |
| 2020-2021      | 30 <sup>th</sup> September, 2021 | 10.00 A.M. | 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata-700 017 | -                                |

- Postal Ballot held during the Financial Year and Special Resolution, if any, passed through postal ballot:**

During the year under review the Company did not conduct any Postal Ballot and no special resolution was passed in last year through postal ballot.

#### VII. MEANS OF COMMUNICATION

During the year under review, financial results for the quarters ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021, 31<sup>st</sup> December, 2021 and the year ended 31<sup>st</sup> March, 2022, have been published in a English newspaper namely "The Echo of India, Kolkata" and also published in a vernacular language newspaper namely "Arthik Lipi". The Company has submitted all quarterly, half yearly and yearly compliances for the year ended on 31<sup>st</sup> March, 2022 to the Calcutta Stock Exchange Limited. The results are also displayed on the Company's website [www.kljresources.in](http://www.kljresources.in). During the year under review, no official news releases and presentations were made to analysts/institutional investors.

#### VIII. GENERAL SHAREHOLDERS INFORMATION

##### a. General Information

| Particulars                                 | Details   |
|---|---|
| Registered Office                           | 22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata-700 017  |
| Annual General Meeting: Day/Date/Time/Venue | Friday, 30 <sup>th</sup> September, 2022 at 10.00 A.M.<br>22, Ground Floor, Shanti Niketan Building, 8, Cammac Street, Kolkata-700 017  |
| Financial Year                              | 1 <sup>st</sup> April to 31 <sup>st</sup> March   |
| Book Closure                                | Saturday, 24 <sup>th</sup> September, 2022 to Friday, 30 <sup>th</sup> September, 2022 (both days inclusive)  |
| Dividend Payment Date                       | The Board of Directors of the company has recommended a final dividend of Rs. 0.25 per equity share of Rs. 10 each for Financial Year 2021-22 subject to approval of the shareholders in the ensuing Annual General Meeting. The dividend, if declared at the general meeting, shall be paid on and from Wednesday, 5 <sup>th</sup> October, 2022 to the eligible shareholders. |
| Listing on Stock Exchanges                  | Calcutta Stock Exchange Limited ("CSE")<br>7, Lyons Range, Kolkata- 700 001 [Listed w.e.f. 16 <sup>th</sup> April, 1987]<br>The Company has paid the Listing fee for the year 2021-22 to Calcutta Stock Exchange Limited.   |
| Plant location                              | 177, Part A, Jamal Pada Road, Village, Silli, Silvassa- 396230  |
| ISIN  | INE176K01019  |
| Stock Code                                  | 021095  |
| Market Price Data                           | The Equity Shares of the Company are not traded; hence market price data is not available.  |



**b. Tentative Calendar for the Financial Year 2022-23**

| Particulars                               | Dates                  |
|---|------------------------|
| First Quarter Results                     | Mid of August, 2022    |
| Second Quarter Results                    | Mid of November, 2022  |
| Third Quarter Results                     | Mid of February, 2023  |
| Fourth Quarter and the year ended Results | Up to end of May, 2023 |

**c. Dematerialization of shares and liquidity**

1,05,55,500 Equity Shares of the Face Value of Rs. 10 each representing 98.28% of the Company's Equity Share Capital are in dematerialized form and 1,84,500 Equity Shares of the Face Value of Rs.10 each representing 1.72% of the Company's Equity Share Capital are in Physical form. The equity shares of the Company are listed on Calcutta Stock Exchange Limited. The equity shares of the Company are not actively traded.

**d. Reconciliation of Share Capital Audit**

As per the directives of the Securities & Exchange Board of India ("SEBI"), M/s Neelam Bansal & Associates, Company Secretary in whole time practice, New Delhi, undertakes the Share Capital Audit on a quarterly basis. The purpose of the audit is to reconcile the total number of shares held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form with the admitted, issued and paid up capital of the Company.

The Share Capital Audit Reports as submitted by M/s Neelam Bansal & Associates, Company Secretary in whole time practice, New Delhi on quarterly basis were forwarded to the Calcutta Stock Exchange Limited where the Equity Shares of the Company are listed.

**e. Share Transfer System**

Pursuant to directions of SEBI, the facility to hold the Company's shares in electronic form is available to the shareholders as the Company is registered with both Depositories namely NSDL and CDSL. Share Transfer documents for physical transfer and requests for dematerialization of shares may be sent to Company's Registrar and Share Transfer Agent.

**f. Registrar & Share Transfer Agent**

R & D Infotech Private Limited  
15C, Naresh Mitra Sarani,  
Kolkata-700 026  
Tel No: +91 33 24192641/42  
Fax No: +91 33 24761657  
Email: rdinfotec@yahoo.com  
Website: [www.rdinfotech.org](http://www.rdinfotech.org)

**g. Shareholding Pattern as on 31<sup>st</sup> March, 2022**

| Category                                | Number of Shares Held | Percentage of Shareholding |
|---|-----------------------|----------------------------|
| Promoters & Promoters Group             | 66,23,228             | 61.67                      |
| Bodies Corporate (other than promoters) | 40,58,572             | 37.79                      |
| Resident Individuals                    | 58,200                | 0.54                       |
| <b>Total</b>                            | <b>1,07,40,000</b>    | <b>100.00</b>              |

**h. Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity**

As on the date of this report, there is no outstanding GDRs/ADRS/Warrants/or any other Convertible instruments.

**i. Investors' Correspondence may be addressed to: -**

**Sh. Ajai Kumar Gupta**  
Company Secretary  
KLJ House, 8A, Shivaji Marg,  
Najafgarh Road, New Delhi- 110015  
E-mail: [kljresources@kljindia.com](mailto:kljresources@kljindia.com)

## IX. DISCLOSURES

### a. Basis of related Party Transactions

The details of all transactions with related parties are placed before the audit committee for its prior approval. The Company has entered into related party transactions as set out in the Notes to Accounts, which are not likely to have conflict with the interest of the Company at large. The Policy on Related Party Transactions is available on the website of the Company (URL: <http://www.kljresources.in>).

### b. Disclosure of commodity price risks and commodity hedging activities – Nil

### c. Whistle Blower Policy

The Company encourages an open door policy where its employees have access to the head of the business/function. In terms of Company's Code of Conduct, any instance of non-adherence to the code/any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Vigil Mechanism Committee.

Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides adequate safeguards against victimization of Whistle Blower who avail of such mechanism. Under the Policy, every Director and employee has been provided direct access to the Chairman of the Audit Committee.

### d. Compliance with Corporate Governance Requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46

The company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

### e. Details of non-compliance by the Company

There were no instances of non-compliance by the Company and no penalties, or structures were imposed on the Company by the Calcutta Stock Exchange Limited, where the Equity Shares of the Company are listed or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

### f. Details of Total Fees paid to Statutory Auditors of the Company, on a consolidated basis

M/s Kumar Chopra & Associates, Chartered Accountants (Firm Registration Number 000131N) New Delhi, are the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors fees on consolidated basis are given below:

| Particulars                      | (Rupees in Lakhs) |  |
|----------------------------------|-------------------|--|
|                                  | Amount            |  |
| Audit fee                        | 8.48              |  |
| Tax Audit and certification work | 1.30              |  |
| <b>Total</b>                     | <b>9.78</b>       |  |

### g. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Details as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, have been given in the Directors' Report which forms part of the Annual Report.

### h. Code of Business Conduct and Ethics for Directors and Management Personnel

The Board has framed a Code of Conduct ("Code") for all Board members and senior management of the Company. All Board members and senior management personnel have confirmed compliance with the Code for the financial year 2021-22. A declaration to this effect signed by the Managing Director of the Company forms part of this Annual Report.

### i. Disclosure of Accounting Treatment

The Company has prepared its financial statements in accordance with Ind-AS to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting standard) Rules, 2015 and the relevant provisions of the Act, as applicable, for the year ended 31<sup>st</sup> March, 2022. In the preparation of Financial Statements, there was no treatment different from that prescribed in Accounting Standards that had been followed.

### j. Acceptance of recommendations of Committees by the Board of Directors

In terms of the Listing Regulations, there have been no instances during the year when the recommendations of any committees were not accepted by the Board.

**k. Credit Ratings**

CRISIL Limited in its credit rating report for March, 2022 has provided CRISIL AA-/stable (Reaffirmed) for long-term loan facilities and CRISIL A1+ ((Reaffirmed) for short-term loan facilities availed by the company.

**l. Risk Management**

The Company has framed a Risk Management Policy to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management controls risk through means of properly defined framework. The Company's Risk Management Policy focuses on ensuring that risks are identified and addressed on a timely basis. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**m. Management Discussion And Analysis Report**

A Management Discussion and Analysis Report is given by means of a separate annexure forming part of this Annual Report.

**n. Proceeds from Public Issues, Rights Issues, and Preferential Issues etc.**


During the year under review, there were no proceeds from public issues, Right issues or preferential issues.

**o. Details of Compliances**

The Company is compliant with the applicable mandatory requirements of SEBI Regulations. The Company had submitted all quarterly compliances and the year-end Compliances for the year ended on 31<sup>st</sup> March, 2022 to the Calcutta Stock Exchange Limited.

**For and on behalf of Board of Directors of  
KLJ RESOURCES LIMITED**

  
**(Hemant Jain)**  
Managing Director  
DIN: 00506995

  
**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi



# NEELAM BANSAL & ASSOCIATES

(Company Secretaries)

B-197, Street No.2, Majlis Park, Adarsh Nagar, Delhi-110033

M. : +91-9555315118, Email : [csneelambansal@gmail.com](mailto:csneelambansal@gmail.com), [nbaassociates14@gmail.com](mailto:nbaassociates14@gmail.com)

## CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

Company Secretary's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of  
KLJ Resources Limited

This report contains details of compliance of conditions of corporate governance by KLJ Resources Limited ('the Company') for the year ended 31<sup>st</sup> March, 2022 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Calcutta Stock Exchange Limited.

### **Management's Responsibility for compliance with the conditions of Listing Regulations**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Company Secretary's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### **Opinion**

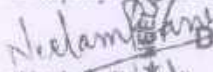
In our opinion and to the best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations as applicable.

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

### **Restriction on use**

The certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For Neelam Bansal & Associates  
Company Secretaries

  
(Neelam Bansal)  
Proprietor  
COP No.- 13239  
UDIN: F010433D000846939

Date: 25.08.2022  
Place: New Delhi

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As required under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, it is hereby confirmed that for the year ended 31<sup>st</sup> March, 2022, the Directors of KLJ Resources Limited have affirmed compliance with the Code of Conduct for Board Members as applicable to them and members of the senior management have affirmed compliance with Code of Conduct as applicable to them.

A handwritten signature in black ink, appearing to read 'Hemant Jain', is written over the printed name.

**(Hemant Jain)**  
Managing Director  
DIN: 00506995

### CEO AND CFO CERTIFICATION

To  
The Board of Directors  
**KLJ Resources Limited**

We, the undersigned, in our respective capacities as the Managing director and Chief Financial Officer of KLJ Resources Limited ('the Company') to the best of our knowledge and belief certify that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2022 and to the best of our knowledge and belief, we state that:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit Committee that:

- i. there are no significant changes in internal controls over financial reporting during the year;
- ii. there are no significant changes in accounting policies during the year; and
- iii. there are no instances of significant fraud of which we have become aware.



**(Hemant Jain)**  
Managing Director  
DIN: 00506995



**(Suresh Chand Jalther)**  
Chief Financial Officer  
PAN: AAUPJ2690R

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR 2021-22

### INDIAN ECONOMY

The Indian economy recovered, with a strong GDP growth of 8.9% in F.Y. 2021-22. While growth in 2021-22 came on a low base, the economy was able to tide over the impact of the two pandemic waves during the year. A higher vaccination rate with localized lockdowns led to increased consumer confidence and ensured fast pickup in the domestic economy. Growth was also aided by accommodative RBI policy.

IMF lowered its GDP growth forecast for India to 7.4% for 2022-23 whereas Reserve Bank of India has lowered its projected GDP growth for F.Y. 2022-23 at 7.2% in view of the headwinds from the geo-political issues causing increase in energy prices, supply chain disruptions, rise in input costs, and rising inflationary pressures in the economy.

India continues to be the fastest growing economy among the emerging nations. The fundamentals of the Indian economy continue to be strong, and it is expected to gain from the Government of India's renewed focus on infrastructure creation and enhancement of manufacturing activity through various measures.

A bright spot for the Indian economy is the increase in new start-up ventures and strong investment inflow of FDI. A normal monsoon is projected for 2022-23 which shall help agriculture sector. Announcement of Production Linked Incentive (PLI) scheme by the Government of India is expected to benefit multiple sectors of the economy with increased capacity build up by the eligible PLI scheme units. The Indian economy shall also benefit from the demographic dividend extended by the young upwardly mobile population. All these augur well for the economic growth of the country in 2022-23 and help realize the vision of the country becoming a USD 5 trillion economy.

### INDUSTRY OVERVIEW

The Indian chemical and petrochemical industry is a critical part of the Indian economy. India manufactures more than 80,000 varieties of chemicals and petrochemicals for downstream industries like automotive, textiles, pharmaceuticals, personal care, construction & engineering, food production and processing etc. generating employment for over two million people. As per the government estimates, India's chemical industry is expected to register a CAGR of 6.4% with the Speciality chemicals growing with a CAGR of above 12% over 2019-2025 to reach a market size of 304 billion by 2025.

The domestic chemicals sector is expected to show case high revenue and volume growth in FY 2022-23, owing to improvement in domestic demand, increased Government spending and better price realisation of chemicals. Bulk chemicals (Basic Chemistry) constitute 25% of the market, while Specialty chemicals, Petrochemicals and Agrochemicals have 21%, 19% and 15% of the market, respectively. Biotech and pharmaceuticals (including active pharmaceutical ingredients and others) together constitute 20% of the market.

Specialty chemical companies are seeking import substitutions while exploring export opportunities to accelerate their businesses. Growth opportunities are largely driven by specialty segment due to rise in demand from end-user industries such as food processing, personal care and home care. The global speciality chemicals industry is estimated to grow at a CAGR of 6% over the next 5 years to reach US\$ 1.2 trillion by 2025 driven by growth in the Asian Markets.

India has the potential of becoming no 4 chemicals consuming country given the huge market. The sector needs global scale infrastructure, logistics, Ease of doing business and feedstock at competitive prices to be made available.

### BUSINESS OVERVIEW

The Company is primarily engaged in the business of distribution of chemical and petrochemical products. Over a period of time the Company has become one of the leading importers of petrochemical products in India. Due to increasing demand of finished products in India as well as in overseas market, the Company has also entered into manufacturing of wide range of speciality chemicals and de-aromatized solvents including blending of base oils to take lead in the market. Product range of the Company covers a range of paraffins, alcohols, aromatics, ketones, monomers, acetates and amines to name a few. The Company has strong tie-ups with leading global players which ensure cost effective and uninterrupted supply to its customers. With pan India presence of marketing network, storage tanks, drumming and distribution facilities, the Company leverages on its modern lab testing facilities to provide comprehensive and complete solutions, ensuring satisfaction across the value chain.

During the year under review, on standalone basis the Company achieved total revenue of Rs. 3,24,460.74 lakhs from operations as compared to Rs. 2,13,614.76 lakhs in the corresponding previous year. EBIDTA for the year was Rs. 24,795.60 lakhs as compared to Rs. 27,689.10 lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 17,483.64 lakhs as against Rs. 19,913.89 lakhs in the previous year.



During the year under review, on consolidated basis the Company achieved total revenue of Rs. 3,70,416.94 lakhs from operations as compared to Rs. 2,34,349.44 lakhs in the corresponding previous year. EBIDTA for the year was Rs. 27,119.21 lakhs as compared to Rs. 28,963.30 lakhs for the previous year. Profit after Tax (PAT) stood at Rs. 19,600.61 lakhs as against Rs. 20,959.32 lakhs in the previous year.

### **STRENGTHS**

Our Company has the following principle competitive strengths:

- Positioned strategically to realize opportunities in the sector
- Experience and end to end expertise in the trading and manufacturing products.
- Sustained investment in equipment and fixed assets
- Professional Board and Management Team

The steady growth of the Company owes itself to the unerring strategy of leveraging its core competencies and drawing heavily upon past experience by Company's management. An effective combination of energy, excellence and endurance is evident everywhere from the operational sites to the administrative division. The result, a holistic growth pattern that has seen the company grow into a preferred choice for its customers.

### **KEY CHALLENGES**

**Volatility in raw material prices:** More than 50% of global petrochemical capacities are based on naphtha, a crude oil derived product. The prices of crude oil products have witnessed significant volatility, thereby making petrochemicals prices highly volatile.

**Increased competition:** Large capacity additions taking place in ethane rich Middle East and demand rich China. Since, ethane based petrochemical products are cheaper than petrochemical products in India, domestic producers are expected to witness margins pressure.

**High entry barriers:** Given the capital intensive nature of the petrochemical plant and tariff barriers, new entrants and small and medium size companies are prohibited from easily entering into the market.

### **OPPORTUNITIES**

**Backward & forward integration:** Given the volatility of crude oil prices and India's heavy dependency on oil imports, there is an opportunity for oil and oil related companies to reap benefits of increase in presence across the value chain.

**More value-added products in portfolio:** Demand for performance plastics such as biodegradable polymers is expected to be on rise across the world including India. Given the environment concerns with traditional plastics, companies should look at expanding their portfolio and include more value added products.

**Increased geographical presence:** Given the capital intensive nature of the project and high costs associated in India (due to no duty waivers, no/ very less tax exemptions and high interest costs), the domestic companies may also look outside for organic and inorganic opportunities.

**Increasing Per Capita consumption:** The per capita consumption of chemicals in India is 1/5<sup>th</sup> of the global average. Consumption of FMCG products and agrochemicals in China is 4 times of India leaving huge headroom for growth.

**Increasing adoption of Speciality Products:** With rising urbanization and industrialization, the demand for engineering and high performance materials is also rising steadily. Growth in the automotive, electronics, consumer goods and construction sectors have also added to the demand.

### **FUTURE OUTLOOK**

The chemical industry which had long been out of favor is finally getting its groove back. Despite a spate of headwinds, the highly cyclical industry has maintained its performance, helped by continued strength across automotive and construction markets, two major end-use markets for chemicals.

Chemical companies continue to shift their focus on attractive growth markets in an effort to cut their exposure on other businesses that are grappling with weak demand. The industry is also seeing a pick-up in consolidation activities as chemical makers are increasingly looking for cost synergy opportunities and enhanced operational scale in a still-difficult global economic environment.





## **RISKS AND CONCERNS**

The Company has framed a Risk Management Policy in accordance with Companies Act, 2013 read with SEBI Regulations. Accordingly, the Company has constituted a Risk Management Committee which reviews the key risks, concerns and mitigation plans at regular intervals. Risk assessment, Risk Management, Risk Monitoring and Risk Mitigation measures are adopted by the Company for timely action. By identifying and proactively addressing risks and opportunities, the objective is to build and maintain sustainable, robust business model and to protect and create value for all the stakeholders, including shareholders, employees, customers, regulators, and the community. Risks related to the Company and our responses to mitigate them are discussed below.

### **Strategic Risks**

Strategic risks refer to long-term strategy and plans of the Company, including risks associated with macro environment, global petrochemical industry, growth projects and competitiveness of our operations. The Company has in place a well-developed framework to mitigate the strategic risks.

### **Operational Risks**

Operational risks refer to risks impacting operations of the Company. It includes *inter alia* supply chain, employee productivity, health and safety of employees and environmental impact and risks to business reputation. The Company is exposed to various risks which impact Company's reputation such as labour relations, product mix, innovations and effective deployment of technology. The Company has in place a crisis management plan and is committed to servicing customers and stakeholders effectively. A key operational component is supply chain of raw materials and the costs associated with it. Supply chain disruptions could increase the operating costs and disruption in supply and volatility in the prices of raw materials poses a significant risk to operations and operating costs. The Company closely monitors the developments in supply chain and effective steps are taken to mitigate all operational risks.

### **Financial Risks**

Financial risks refer to ability of the Company to meet financial obligations and lessen the impact of various factors like interest rates, foreign currency exchange rates etc. The Company always endeavors not to have a significant level of indebtedness and ensures availability of adequate cash to meet operational and working capital requirements as well as adverse situations.

Credit Risk is a threat to any company and in order to mitigate this, the Company undertakes a systematic assessment of the financial health of its customers. Raw material price risks are mitigated through well planned and timely purchases and also by entering into formula-based pricing with customers. Currency fluctuation risks are proactively managed through simple hedge with forward contracts/option.

### **Legal and Compliance Risks**

Legal and compliance risks refer to risks arising from outcome of legal proceedings, government action and/or regulatory action, which could result in additional costs. The Company is subject to various laws, regulations and contractual commitments. The risk of substantial costs, liabilities and damage to reputation related to non-compliance of these laws and regulations are inherent to the Company's business. The Company has policies, systems and procedures in place aimed at ensuring substantial compliance and there is a strong commitment from the management to enforce compliance.

## **INTERNAL CONTROL SYSTEMS**

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly; applicable statutes, the code of conduct and corporate policies are duly complied with.

The Company has an internal auditor which conducts audit in various functional areas as per audit programme approved by the Audit Committee of the Board of Directors. The internal auditor reports its findings and observations to the audit committee, which meets at regular intervals to review the audit issues and to follow up implementation of corrective actions. The committee also seeks the views of statutory auditors on the adequacy of the internal control system in the company. The audit committee has majority of independent directors to maintain the objectivity.

## **KEY FINANCIAL RATIOS**

The Company has identified the following ratios as key financial ratios:

| Sl. No. | Ratio Type    | unit  | 2021-22 | 2020-21 | Variation<br>(In %) | Explanation for changes |
|---------|---------------|-------|---------|---------|---------------------|-------------------------|
| 1       | Current Ratio | Times | 2.03    | 1.94    | 4.64%               | -                       |

|    |                                  |            |        |          |         |   |
|----|----------------------------------|------------|--------|----------|---------|---|
| 2  | Debt-equity ratio                | Times      | 0.09   | 0.19     | -52.22% | Debt Equity Ratio has decreased mainly on account of repayment of borrowings during the year. Further total equity has increased due to high internal accruals during the year. |
| 3  | Debt service coverage ratio      | Times      | 636.20 | 1,341.23 | -52.57% | The debt service coverage ratio has decreased during current year as compared to previous year mainly on account of repayment of debt   |
| 4. | Return on equity ratio           | Percentage | 24.11% | 37.30%   | -35.36% | The return on equity has decreased mainly on account of decline in net profit margin  |
| 5  | Inventory turnover ratio         | Times      | 5.80   | 4.91     | 18.08%  | -   |
| 6. | Trade receivables turnover ratio | Times      | 5.93   | 5.14     | 15.48%  | -   |
| 7  | Trade payables turnover ratio    | Times      | 5.54   | 5.40     | 2.67%   | -   |
| 8  | Net capital turnover ratio       | Times      | 4.49   | 3.68     | 21.99%  | -   |
| 9  | Net profit ratio                 | Percentage | 5.42%  | 9.41%    | -42.41% | The return on equity has decreased mainly on account of decline in net profit margin  |
| 10 | Return on capital employed       | Percentage | 26.43% | 35.00%   | -24.47% | -   |
| 11 | Return on investment             | Percentage | 5.31%  | 29.18%   | -81.80% | The return on Investment has decreased mainly on account of decline in Profit margin in Investment  |

#### **HUMAN RESOURCES DEVELOPMENT**

Employees are the key to achieve the Company's objectives and strategies. The Company provides to the employees a fair and equitable work environment and support from their peers with a view to develop their capabilities leaving them with the freedom to act and to take responsibilities for the tasks assigned. The Company strongly believes that its team of capable and committed manpower, which is its core strength, is the key factor behind its achievements, success and future growth. We are continuously working to create and nurture an organization that is highly motivated, result oriented and adaptable to the changing business environment. The industrial relations remained cordial during the year.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

Disclosure of accounting treatment has been given in the section 'Other Disclosures' of 'Corporate Governance Report' which forms part of the Annual Report.

#### **FORWARD LOOKING STATEMENTS**

This communication contains statements that constitute 'forward looking statements' including, without limitation, statements relating to the implementation of strategic initiatives and other statements relating to our future business developments and economic performance. While these forward looking statements represent the management's judgments and future expectations concerning the development of our business a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.



These factors include but not limited to general Market, Macro Economics, Governmental, regulatory trends, movement in currency exchange, interest rate, competitive pressures, technological developments, changes in Financial Conditions of third party dealing with us, legislative developments and other key factors that could adversely affect our business and Financial Performance.

KLJ Resources Limited undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

  
**(Hemant Jain)**  
Managing Director  
DIN: 00506995

  
**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

Date: 5<sup>th</sup> September, 2022  
Place: New Delhi



## INDEPENDENT AUDITOR'S REPORT

To the Members of KLJ RESOURCES LIMITED

### Report on the Audit of the Standalone Ind AS Financial Statements

#### 1. Opinion

We have audited the accompanying standalone financial statements of **KLJ RESOURCES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements")

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 accounting principles generally accepted in India including Indian accounting standards (Ind AS) specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2022 and Profit and other comprehensive income, the changes in equity and cash flow for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit 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 Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3. Emphasis of matter:

We draw attention to Note No. 61 in the standalone financial statements, which describes the economic and social consequences/ disruption the entity is facing as a result of COVID-19 and its impact on supply chains / consumer demand/ financial position/exchange fluctuation/ability of the company to face the challenge/ impact on the standalone financial statements requiring adjustments. Our opinion is not modified in respect of this matter."



4. **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities section of our audit report including in relation to these matters. Our opinion is not modified in respect of these matters."

| S no. | Key Audit Matter   | Auditor's response   |
|-------|--|--|
| 1.    | In respect of parties' balances, confirmations were sought from all the parties at the year end. There are parties who have not sent the confirmations. It has been explained that management has the system of reconciling balances with the parties from time to time during the year. All the parties are having regular business transactions. | In the absence of external confirmations, we as auditors carried out alternative procedures to verify the balances:<br><br>We tested the effectiveness of controls over sale and purchase transactions with the parties and accounting of the same.<br><br>The transactions of sale/purchase were verified through external bills and invoices to/from the parties. The payments were cross verified from the bank statements of the company. In view of the high magnitude of such transactions we followed SA 530 "Audit Sampling" in this regard. |
| 2.    | The physical verification of stock is carried out by the management during the year at various locations so as to cover all the locations during the year. Approved surveyors are  | We have followed the following processes:<br>i. We carried out checking of the stock records to verify the stock. Keeping in view the magnitude of transactions, the same has been done as per sample selection basis in   |



|  |   |   |
|--|---|---|
|  | <p>also engaged for verification of inventory lying in the bonded warehouse at the port.</p> <p>The inventory is situated at multiple locations and keeping in view the magnitude, nature and specifications of the inventory, technical expertise is required to physically verify the same.</p> | <p>accordance with SA 530 "Sample Selection" of ICAI</p> <p>ii. The records of the physical verification of stock during the year were verified.</p> <p>iii. The report of physical verification as on 31.03.2022 from surveyors in respect of stock lying in the bonded warehouses has been produced for our verification.</p> <p>iv. Keeping in view the location, magnitude and nature of the inventory consisting of Chemicals in containers of voluminous size at the port, and other places, we were not technically competent to personally verify the stock physically and relied on approved surveyor's report.</p> <p>v. We also tallied the same with the regular stock records maintained by the company and produced for our verification.</p> |
|--|---|---|

**5. 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The report is expected to be made available to us after the date of this Auditor's Report.

Our Opinion on the standalone financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statement, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



#### 6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 are also responsible for overseeing the company's financial reporting process.

#### 7. Auditor's Responsibilities 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 judgment and maintain professional scepticism throughout the audit. We also:

- i. 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.
- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the



- company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - iv. 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 the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore key audit matters. We describe these audit matters in our audit report unless law or regulation precludes public disclosure about the matters and when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### 8. Report on Other Legal and Regulatory Requirements

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






- ii. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The company does not have any pending litigation;
    - b. The company did not have any long term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 64 to the standalone financial statements, 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, 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.  
(ii) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 64 to the standalone financial statements, 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, 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.



- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (i) and (ii) of Clause (d) above contain any material misstatement.
- e. The company has declared and paid dividend during the year and the same is in accordance with section 123 of the Act.
- III. As required by Section 197(16) of the Act, we report that in our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 of the Act.

Place New Delhi  
Date: 30.05.2022

For Kumar Chopra & Associates  
Chartered Accountants  
Registration No.:000131N)



SUNIL JAIN  
Partner  
Membership No. 080990  
UDIN: 22080990AJWXPC4775

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

Annexure to the Independent Auditors' Report referred to in paragraph 8(1) of our report of even date on the standalone financial statements of KLJ RESOURCES LIMITED for the Year ended 31st March, 2022

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

(i) (a)

(A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company is maintaining proper records showing full particulars of intangible assets.

(b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) In our opinion and according to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the company.

(iii) During the year the company has made investments in, provided guarantee and granted loans, unsecured, to companies.

(a) During the year the company has provided loans and stood guarantee or provided security to other entities as under-

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates. See table below

(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and



associates. See table below:

| Details as per clause A & B  |            |          |            | Rs. In lacs                 |
|--|------------|----------|------------|-----------------------------|
|  | Guarantees | Security | Loans      | Advances in nature of loans |
| Aggregate Amount granted/ provided during the year:-                   |            | -        |            | -                           |
| - Subsidiaries   | 4169.39    | -        | 1169.81    | -                           |
| - Joint Ventures   |            |          |            |                             |
| - Associates   |            |          |            |                             |
| - Others   |            |          | 3370.00    |                             |
| Balance outstanding as at balance Sheet date in respect of above cases |            | -        |            | -                           |
| - Subsidiaries   | 8338.78    |          | 2038.52**  |                             |
| - Joint Ventures   |            |          |            |                             |
| - Associates   |            |          |            |                             |
| - Others   |            |          | 10032.21## |                             |

\*\* Net of provision for Doubtful Rs. 399.45 Lacs

## Net of provision for doubtful Rs.381.17 Lacs

(b) According to the information and explanation given to us, we are of the opinion that the terms and conditions of the grant of all loans and guarantees provided are not prejudicial to the company's interest.

(c) In respect of loans, the repayment of principal is on demand and payment of interest has been stipulated yearly and the receipts of the same are regular.

(d) Since the amounts are repayable on demand there are no overdue loans. The company has provided for following loans and investments as fully impaired during the year:

Subsidiary: Rs. 399.45 Lacs

Non-related parties: Rs. 381.17 Lacs

As per the information and explanation given to us by the management, the loan to subsidiary has become doubtful due to negative net worth of the company and accordingly no steps are required for its recoverability and in case of other loans, company is taking adequate steps for recovery

(e) As per the information and explanation given to us, all the loans are repayable on demand and no fresh loan has been granted to settle the



overdue of existing loans given to the same parties.

(f) As per the information and explanation given to us, the company has granted all loans repayable on demand. The aggregate amount outstanding as on 31/03/2022 is Rs.12070.72 Lacs and constitute 100% thereof to the total loans granted and out of this, aggregate amount of loans granted to subsidiary companies being parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Rs 2038.52 Lacs.

- iv. As per the information and explanation given to us and in our opinion, the company has complied with the requirements of section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits during the year.
- vi. We have broadly reviewed the cost records specified by the Central Govt. u/s 148(1) of the Act, maintained by company and we are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made a detailed examination of the cost records with view to determine whether they are accurate or complete.
- vii. (a) The company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities as applicable and there are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.  
(b) There are no statutory dues which have not been deposited on account of any dispute.
- viii. During the course of our audit, we did not come across any transactions in the nature of surrender or disclosed income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
(b) As information and explanation given to us the company has not been declared wilful defaulter by any bank or financial institution or other lender.  
(c) The term loans were applied for the purpose for which the loans were obtained.  
(d) On overall examination of the financial statements, in our opinion, the funds raised on short term basis prima-facie have not been utilised for long term purposes by the company.  
(e) As per the information and explanation given to us and based on our examination of books, we are of the opinion that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



- (f) As per the information and explanation given to us and based on our examination of books, we are of the opinion that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.  
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- (xi) (a) As per the information and explanation given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in form ADI-4 as prescribed under rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.  
(c) As per the information and explanation given to us there was no whistle-blower complaints received during the year by the company;
- (xii) The company is not a Nidhi Company and as such para is not applicable.
- (xiii) In our opinion, all transactions entered into by the company during the year with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and as per our examination, the company has adequate internal audit system commensurate with the size and nature of its business.  
(b) The report of the internal auditors has been considered by us.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) The company has not conducted any Non- Banking Financial or Housing Finance activities.  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
(d) Clause xvi(d) of the Order on CIC is not applicable.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the 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) Since there were no unspent funds at the end of the year as per the provisions of section 135(5) of the Act, the para a & b of this clause are not applicable.
- (xxi) There are no qualifications or adverse remarks in the Company's Auditors Report Order (CARO) report given by auditor of companies included in consolidated financial statements.

Place New Delhi  
Date: 30.05.2022

For Kumar Chopra & Associates  
Chartered Accountants  
(Registration No.:000131N)



UNIL JAIN  
Partner  
Membership No. 080990  
UDIN: 22080990AJWXPC4775

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

Annexure to the Independent Auditors' Report referred to in paragraph 8(II)(f) of our report of even date on the standalone financial statements of **KIJ RESOURCES LIMITED** for the Year ended 31st March, 2022.

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

#### *Opinion*

We have audited the internal financial controls over financial reporting of **KIJ Resources Limited ("the Company")** as of March 31, 2022 in conjunction with our audit of the standalone Financial statements of the Company for the year ended on that date. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

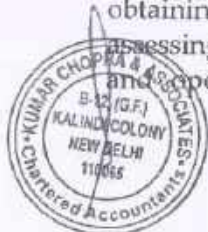
#### *Management's Responsibility for Internal Financial Controls*

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

#### *Auditors' Responsibility*

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The





procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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


*Meaning of Internal Financial Controls Over Financial Reporting*

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

*Inherent Limitations of Internal Financial Controls Over Financial Reporting*

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

Place New Delhi  
Date: 30.05.2022

For Kumar Chopra & Associates  
Chartered Accountants  
Registration No.:000131N)  
  
SUNIL JAIN  
Partner  
UDIN: 22080990AJWXPC4775



**STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022**

(Rupees in Lakhs)

| Sl. No. | Particulars   | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|---------|---|----------|-----------------------|-----------------------|
|         | <b>ASSETS</b>   |          |                       |                       |
| 1       | <b>Non-current Assets</b>   |          |                       |                       |
|         | (a) Property, Plant and Equipment                                       | 2a       | 2,940.22              | 397.51                |
|         | (b) Right-of-use Assets   | 2b       | 1,545.71              | 1,586.45              |
|         | (c) Capital work-in-progress  | 2c       | -                     | -                     |
|         | (d) Investment Property   | 2d       | 834.87                | 620.14                |
|         | (e) Other Intangible assets   | 2e       | 1.89                  | 2.48                  |
|         | (f) Intangible assets under development                                 | 2f       | -                     | 16.66                 |
|         | (g) Financial Assets  |          |                       |                       |
|         | (i) Investments   | 3        | 6,083.01              | 4,933.01              |
|         | (ii) Others   | 4        | 321.11                | 297.99                |
|         | (h) Deferred tax assets (Net)   | 5        | -                     | -                     |
|         | (i) Other non-current assets  | 6        | 214.13                | 187.27                |
| 2       | <b>Current Assets</b>   |          |                       |                       |
|         | (a) Inventories   | 7        | 53,984.14             | 57,337.04             |
|         | (b) Financial Assets  |          |                       |                       |
|         | (i) Investments   | 3        | 6,072.21              | -                     |
|         | (ii) Trade receivables  | 8        | 63,838.71             | 44,924.69             |
|         | (iii) Cash and cash equivalents   | 9        | 11.63                 | 25.50                 |
|         | (iv) Bank balances other than (iii) above                               | 10       | 3,980.75              | 5,027.77              |
|         | (v) Loans   | 11       | 12,070.72             | 8,607.82              |
|         | (vi) Other financial assets   | 12       | 175.66                | 160.04                |
|         | (c) Current Tax Assets (Net)  | 13       | -                     | -                     |
|         | (d) Other current assets  | 14       | 1,894.36              | 2,780.12              |
|         | <b>TOTAL ASSETS</b>   |          | <b>1,53,769.12</b>    | <b>1,26,904.52</b>    |
|         | <b>EQUITY AND LIABILITIES</b>   |          |                       |                       |
| 1       | <b>Equity</b>   |          |                       |                       |
|         | (a) Equity Share capital  | 15       | 1,074.00              | 1,074.00              |
|         | (b) Other Equity  | 16       | 80,438.50             | 62,450.32             |
| 2       | <b>Liabilities</b>  |          |                       |                       |
|         | <b>Non-current Liabilities</b>  |          |                       |                       |
|         | (a) Financial Liabilities   |          |                       |                       |
|         | (i) Borrowings  | 17       | 11.24                 | 41.11                 |
|         | (ia) Lease liabilities  | 18       | 1,302.38              | 1,392.90              |
|         | (ii) Other financial liabilities  | 19       | 264.33                | -                     |
|         | (b) Provisions  | 20       | 187.32                | 186.01                |
|         | (c) Deferred tax liabilities (Net)                                      | 5        | 508.24                | 327.51                |
|         | (d) Other non-current liabilities                                       | 21       | 67.62                 | 119.01                |
|         | <b>Current Liabilities</b>  |          |                       |                       |
|         | (a) Financial Liabilities   |          |                       |                       |
|         | (i) Borrowings  | 22       | 7,404.80              | 12,063.59             |
|         | (ia) Lease liabilities  | 23       | 298.39                | 177.22                |
|         | (ii) Trade payables :   | 24       |                       |                       |
|         | a) dues of micro enterprises and small enterprises                      |          | 49.52                 | 47.95                 |
|         | b) dues of creditors other than micro enterprises and small enterprises |          | 55,860.87             | 44,841.75             |
|         | (iii) Other financial liabilities                                       | 25       | -                     | 0.36                  |
|         | (b) Other current liabilities   | 26       | 4,871.51              | 3,815.07              |
|         | (c) Provisions  | 27       | 22.43                 | 17.48                 |
|         | (d) Current Tax Liabilities (Net)                                       | 13       | 409.97                | 350.24                |
|         | <b>TOTAL EQUITY AND LIABILITIES</b>                                     |          | <b>1,53,769.12</b>    | <b>1,26,904.52</b>    |

**Significant Accounting Policies**

The accompanying notes to the standalone financial statements

1

2 to 65

For & on behalf of the Board of Directors

As per our report of even date attached  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N



Suresh Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022

Hemant Jain  
Managing Director  
Din:00508995

Dilip Kumar Karn  
Director  
Din:00061804

Suresh Chand Jalther  
Chief Financial Officer

Ajal Kumar Gupta  
Company Secretary



**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022**

(Rupees in Lakhs)

|  | Note No. | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--|----------|--------------------------------|--------------------------------|
| <b>INCOME</b>  |          |                                |                                |
| I Revenue from Operations  | 28       | 3,22,637.85                    | 2,11,646.73                    |
| II Other Income  | 29       | 1,822.89                       | 1,968.03                       |
| III <b>TOTAL INCOME (I+II)</b>   |          | <b>3,24,460.74</b>             | <b>2,13,614.76</b>             |
| <b>IV EXPENSES</b>   |          |                                |                                |
| Cost of Material Consumed  | 30       | 10,517.02                      | 7,436.35                       |
| Purchase of Stock-In-Trade   | 31       | 2,77,367.56                    | 2,02,569.52                    |
| Changes in Inventories of Finished Goods & Stock in Trade  | 32       | 3,440.32                       | (28,565.12)                    |
| Employee Benefits Expense  | 33       | 3,866.81                       | 1,909.07                       |
| Finance Costs  | 34       | 611.80                         | 566.11                         |
| Depreciation and Amortization Expense  | 2        | 528.25                         | 376.78                         |
| Other Expense  | 35       | 4,473.43                       | 2,575.84                       |
| <b>TOTAL EXPENSES (IV)</b>   |          | <b>3,00,805.19</b>             | <b>1,86,868.55</b>             |
| V <b>PROFIT/ (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)</b>  |          | <b>23,655.55</b>               | <b>26,746.21</b>               |
| VI Exceptional Items   |          | -                              | -                              |
| VII <b>PROFIT/ (LOSS) BEFORE TAX (V-VI)</b>  |          | <b>23,655.55</b>               | <b>26,746.21</b>               |
| VIII Tax Expenses  |          |                                |                                |
| 1) Current Tax   |          | 6,380.00                       | 6,920.00                       |
| 2) Deferred Tax  |          | 18.75                          | (54.76)                        |
| 3) Short/(Excess) Provision for Earlier Year   |          | (226.84)                       | (32.92)                        |
| IX <b>PROFIT/ (LOSS) FOR THE PERIOD (VII-VIII)</b>   |          | <b>17,483.64</b>               | <b>19,913.89</b>               |
| X <b>OTHER COMPREHENSIVE INCOME</b>  | 36       |                                |                                |
| A (i) Items that will not be reclassified to Profit or Loss  |          | 726.06                         | 461.51                         |
| (ii) Income tax relating to items that will not be reclassified to Profit or Loss  |          | (189.59)                       | (107.83)                       |
| B (i) Items that will be reclassified to Profit or Loss  |          | (32.66)                        | 28.43                          |
| (ii) Income tax relating to items that will be reclassified to Profit or Loss  |          | 7.81                           | (7.15)                         |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>  |          | <b>531.42</b>                  | <b>374.96</b>                  |
| XI <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (IX+X)</b><br>(Comprising Profit/(Loss) and other comprehensive income for the period) |          | <b>18,015.06</b>               | <b>20,288.85</b>               |
| XII <b>Earnings Per Equity Share (Continuing Operations):</b>  | 37       |                                |                                |
| Basic  |          | 162.79                         | 185.42                         |
| Diluted  |          | 162.79                         | 185.42                         |

Significant Accounting Policies

The accompanying notes to the standalone financial statements

1  
2 to 65

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022



For & on behalf of the Board of Directors

Hemant Jain  
Managing Director  
Din:00506995

Dilip Kumar Karn  
Director  
Din:00061804

Suresh Chand Jalther  
Chief Financial Officer

Ajai Kumar Gupta  
Company Secretary



STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2022

A. EQUITY SHARE CAPITAL (Rupees in Lakhs)

| Particulars                                     | Amount in Rs. |
|---|---------------|
| Balance as at 31st March 2021                   | 1,074.00      |
| Changes in equity share capital during the year | -             |
| Balance as at 31st March 2022                   | 1,074.00      |

BALANCE AS AT 31st MARCH 2022 (Rupees in Lakhs)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 1074.00  | -  | -   | -   | 1,074.00   |

BALANCE AS AT 31st MARCH 2021 (Rupees in Lakhs)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 1074.00  | -  | -   | -   | 1,074.00   |

B. OTHER EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2022 (Rupees in Lakhs)

| Particulars   | Reserves and Surplus |                            |                |                   | Revaluation Surplus | Other Items of Other Comprehensive Income |                          | Total Amount |
|---|----------------------|----------------------------|----------------|-------------------|---------------------|---|--------------------------|--------------|
|   | Capital Reserve      | Securities Premium Reserve | Other Reserves | Retained Earnings |                     | Gratuity Planned Assets                   | Fair Value of Investment |              |
|   |                      |                            |                |                   |                     |   |                          |              |
| Profit for the year                                       | -                    | -                          | -              | 17,493.84         | -                   | 17.74                                     | 513.66                   | 18,015.06    |
| Changes in accounting policy or prior period errors       | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Restated balance at the beginning of the reporting period | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Total Comprehensive Income for the year                   | -                    | -                          | -              | -                 | -                   | -   | -                        | 80,465.39    |
| Dividends   | -                    | -                          | -              | (26.85)           | -                   | -   | -                        | (26.85)      |
| Transfer to retained earnings                             | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Issue of Bonus Share                                      | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Balance as at 31st March 2022                             | 291.34               | 3,819.60                   | -              | 74,188.30         | -                   | 36.69                                     | 2,132.60                 | 80,438.54    |

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2021

| Particulars   | Reserves and Surplus |                            |                |                   | Revaluation Surplus | Other Items of Other Comprehensive Income |                          | Total Amount |
|---|----------------------|----------------------------|----------------|-------------------|---------------------|---|--------------------------|--------------|
|   | Capital Reserve      | Securities Premium Reserve | Other Reserves | Retained Earnings |                     | Gratuity Planned Assets                   | Fair Value of Investment |              |
|   |                      |                            |                |                   |                     |   |                          |              |
| Profit for the year                                       | -                    | -                          | -              | 19,943.89         | -                   | 12.55                                     | 362.41                   | 20,288.85    |
| Changes in accounting policy or prior period errors       | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Restated balance at the beginning of the reporting period | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Total Comprehensive Income for the year                   | -                    | -                          | -              | -                 | -                   | -   | -                        | 82,477.16    |
| Dividends   | -                    | -                          | -              | (26.65)           | -                   | -   | -                        | (26.65)      |
| Transfer to retained earnings                             | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Issue of Bonus Share                                      | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Balance as at 31st March 2021                             | 291.34               | 3,819.60                   | -              | 56,701.51         | -                   | 18.95                                     | 1,618.92                 | 62,450.32    |

For & on behalf of the Board of Directors

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 060131N



Suresh Jain  
Partner  
M.No. 060900  
New Delhi, 30th May 2022

Hemant Jain  
Managing Director  
Din:06500995

Suresh Chand Jaitheer  
Chief Financial Officer

Dilip Kumar Karn  
Director  
Din:00061804

Ajal Kumar Gupta  
Company Secretary



## K L J Resources Limited

Regd. Office: 8, Camac Street, Kolkata-700017

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

|  | (Rupees in Lakhs)  |                   |
|--|--------------------|-------------------|
|  | 31st March, 2022   | 31st March, 2021  |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                    |                    |                   |
| Net Profit before tax and extraordinary items                    | 23,655.55          | 26,746.21         |
| Add: Adjustments for non cash items:                             |                    |                   |
| Depreciation   | 526.25             | 376.78            |
| Add: Adjustments for other items:                                |                    |                   |
| Loss/(Profit) on Sale / Discard of Assets (net)                  | -                  | 0.03              |
| Loss/(Profit) on Sale of shares (net)                            | (163.32)           | (559.73)          |
| Disposal of Intangible Assets under Development                  | 16.66              |                   |
| Finance Costs  | 811.80             | 566.11            |
| Less:  |                    |                   |
| Dividend Income  | (13.86)            | (30.18)           |
| Interest Income  | (1,349.55)         | (981.41)          |
| <b>Operating Profit before Working Capital Changes</b>           | <b>23,285.61</b>   | <b>26,117.61</b>  |
| <b>Adjustment for increase/decrease in operating assets</b>      |                    |                   |
| (Increase)/Decrease Trade and Other Receivables                  | (18,914.02)        | (7,460.38)        |
| (Increase)/Decrease in Inventories                               | 3,352.90           | (28,448.49)       |
| (Increase)/ Decrease in other current assets                     | 1,065.78           | (1,429.78)        |
| (Increase)/ Decrease in other financial assets                   | (31.38)            | (17.16)           |
| (Increase)/ Decrease in other non current assets                 | (26.66)            | (149.48)          |
| <b>Adjustment for increase/decrease in operating liabilities</b> |                    |                   |
| Increase/(Decrease) Trade and Other Payables                     | 12,020.69          | 13,512.96         |
| Increase/(Decrease) other current liabilities                    | 1,056.44           | 2,948.59          |
| Increase/(Decrease) other financial liabilities                  | 263.97             | 19.50             |
| Increase/(Decrease) other non current liabilities                | (46.44)            | (303.93)          |
| Increase/(Decrease) Provisions                                   | 25.02              | 132.68            |
| Cash Generated from Operations                                   | 22,071.59          | 4,922.31          |
| Taxes Paid (net)   | 6,093.45           | 6,340.14          |
| Net Cash from Operating Activities                               | <b>15,978.14</b>   | <b>(1,417.83)</b> |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                    |                    |                   |
| Purchase of Property, Plant & Equipment                          | (2,702.13)         | (306.37)          |
| Purchase of Investment Property                                  | (259.09)           | (10.19)           |
| (Increase)/Decrease in Loans and Advances                        | (3,462.90)         | (2,208.01)        |
| (Increase)/Decrease in Current Investments                       | (6,072.21)         |                   |
| (Increase)/Decrease in Non Current Investments                   | (480.31)           | 116.05            |
| Interest received  | 1,333.55           | 968.12            |
| Increase/ (Decrease) in Other Bank Balance including FDR's       | 1,047.02           | 122.92            |
| Profit on Sale of Shares   | 163.32             | 559.73            |
| Dividend Income  | 13.88              | 30.16             |
| Net Cash (used in) Investing Activities                          | <b>(10,418.87)</b> | <b>(727.67)</b>   |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                    |                    |                   |
| Proceeds from Long Term Borrowings                               | (29.87)            | 41.11             |
| Dividends Paid (Including Dividend Distribution Tax)             | (26.65)            | (26.65)           |
| Payment of Lease liabilities                                     | (408.82)           |                   |
| Short Term Borrowings (net)                                      | (4,658.79)         | 2,574.61          |
| Finance Costs  | (448.82)           | (431.60)          |
| Net Cash (used in) / from Financing Activities                   | <b>(5,573.16)</b>  | <b>2,157.17</b>   |
| Net Cash inflows/( outflows) from activities                     | (13.87)            | 11.77             |
| Opening Balance of Cash and Cash Equivalents                     | 25.50              | 13.73             |
| Closing Balance of Cash and Cash Equivalents                     | <b>11.63</b>       | <b>25.50</b>      |
| <b>Component of Cash and Cash Equivalents</b>                    |                    |                   |
| Cash on Hand   | 8.41               | 9.18              |
| Balance with Banks:  |                    |                   |
| Current Accounts   | 3.22               | 16.32             |
|  | <b>11.63</b>       | <b>25.50</b>      |

The above cash flow statement has been prepared under the indirect method as set out in IND AS -7

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022



For & on behalf of the Board of Directors

Hemant Jain  
Managing Director  
Din: 00508995

Dilip Kumar Karn  
Director  
Din: 00061804

Suresh Chand Jalther  
Chief Financial Officer

Ajai Kumar Gupta  
Company Secretary



**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Corporate Information

KLJ Resources Limited ("the Company") is a listed entity incorporated in India. The registered office of the Company is located at 8, Camac Street, Kolkata-700017, India having CIN: L67120WB1986PLC041487. Corporate office at KLJ House, 8A, Shivaji Marg, Najafgarh Road, New Delhi – 110015

The Company is engaged in importing marketing and distribution and blending of Base oils, Aromatics in India. Product range also covers range of Paraffins, Glycol Ethers, Oxo-Alcohols, Aromatics, Monomers, Esters & Amines etc. Company having offices at Delhi, Mumbai, Kandla (Gujarat), Kolkata, Chennai and factory situated at Silvassa.

### 1.2 Basis of Preparation

#### a) Statement of Compliance

These financial statements are separate financial statements and have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) as amendment from time to time.

#### b) Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis except for the following which have been valued at Fair value as required under Ind-AS instead of historical cost.

- i. Defined benefit Plan-Gratuity
- ii. Certain Financial assets and liabilities
- iii. Assets held for sale-measured at lower of cost or fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an assets or liability, the company takes into account the characteristics of the assets or liability if market participants would take those characteristics into account when pricing the assets or liability at the measurement date.

#### c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include estimates of future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment actual results may differ from these estimates.

- i. **Useful life of Property, Plant and equipment (PPE):** The company depreciates PPE on a Written Down Value (WDV) over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. The estimated useful life is reviewed at least annually.

- ii. **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Under the projected unit credit (PUC) method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- iii. **Useful life of Intangible assets:** Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The Company amortizes intangible assets on a Written Down Value (WDV) over estimated useful lives of the assets. The useful life is Estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at the end of each annual reporting period.

- iv. **Expected credit losses on financial assets:** The company provides for impairment provisions of trade receivables based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- v. **Leases:**

Ind AS 116 defines a lease term as the noncancelable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Company reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

- vi. **Impairment of tangible and intangible assets other than goodwill:** As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, Investment property Investments and Intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property, Investments and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

### 1.3 Cash and Cash Equivalent

Cash and cash equivalents refers to the line item on the balance sheet that reports the value of a company's assets that are cash or can be converted into cash immediately. Cash equivalents include bank accounts and marketable securities such as commercial paper and short-term government bonds. Cash equivalents have maturities of three months or less.

### 1.4 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

### 1.5 Investments

1) Investments in Subsidiaries & Associates

Investments in subsidiaries and associates are accounted for at cost less impairment loss, if any.

2) Other Investments

All other investments are measured at fair value, with value changes recognized in Statement of Other Comprehensive Income.

### 1.6 Inventories

Items of inventories are valued at lower of specific cost or net estimated realizable value after providing for obsolescence, if any. Inventory of raw materials lying at factory are valued on FIFO Basis.

Cost of inventories comprises of cost of purchase, cost of transport, cost of conversion and other costs including manufacturing /other overheads incurred in bringing them to their respective present location and condition. Inter-unit goods transfers are valued at lower of cost/ net estimated realizable value.

Non duty paid goods lying at port has been valued without Basic Custom Duty due to uncertainty of quantum of material to be sold against transfer of ownership/ duty paid.

### 1.7 Cash Flow Statement

Cash flow statement is reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.







**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.8 Property, Plant and Equipment and Depreciation / Amortization**

- a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.
- Cost of asset includes the following:
- i. Cost directly attributable to the acquisition of the assets
  - ii. Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto.
  - iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- b) Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.
- c) Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.
- d) Amounts paid towards the acquisition of property, plant and equipment that is yet to be delivered by the supplier / vendor at the reporting date is classified as capital advance; and
- e) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

**Depreciation**

Depreciation on Property, plant and Equipment is provided on Written Down Value (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

**1.9 Investment Property**

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.

**1.10 Intangible Assets and Amortisation**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/ depreciation and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Cost of items of intangible assets not ready for intended use as on the balance sheet date is disclosed as intangible assets under development.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

Intangible assets are amortized over the estimated useful life. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any change in the estimate being accounted for on a prospective basis.

### 1.11 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date company assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

### 1.12 Revenue Recognition

The Company derives revenues primarily from sale of traded goods, manufactured goods and related services.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers'.

There is no effect on adoption of Ind-AS 115. Revenue is recognized on satisfaction of performance obligation which is treated as satisfied upon transfer of control of promised products or services to customers on output method in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

On each reporting date expected credit loss on receivables is measured and accounted for as per Ind-AS 109.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Revenue from sale of products and services are recognized at a time on which the performance obligation is satisfied.

#### Other operating revenue – Service Charges

Company renders services only incidental to its primary activity that is trading of goods and sale of manufactured goods. Service charges are accounted for on satisfaction of performance obligation which is treated as satisfied on completion of rendering of services under the contract.

Dividend income is recognized as and when received.

Claims: All sorts of claims by or against the company are recognized as and when acknowledged / accepted / settled / received.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.13 Employee Benefits**

Short-term employee benefits- Employee benefits payable wholly within 12 months of rendering services are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

The obligations for employee benefit such as Leave encashment is accounted for on accrual basis.

Defined Contribution Plan: Contribution to defined schemes such as Provident Fund and ESI is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Gratuity benefit is funded through the Group Gratuity Scheme under the Life Insurance Corporation of India. Contribution made under the scheme is charged as expense in the Statement of Profit & Loss.

The liability /asset in respect of defined benefit plan is the present value of the defined benefit obligation at the end of reporting period less fair value of the planned assets. The defined benefit obligation is calculated annually by actuarial valuer.

Actuarial gains or losses are recognized in Other Comprehensive Income.

Performance based declared ex-gratia & accretion thereto is provided in the Statement of Profit and Loss and to be disbursed as per the policy framed by the management.

**1.14 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to Statement of Profit and Loss account in the year in which they are incurred.

**1.15 Functional and Presentation Currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (Functional Currency) The financial statements are presented in Indian rupees, which is the presentation currency of company.

**Foreign Currency Transactions**

- a. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.
- b. Non-monetary items are translated at the rate on the date of initial transaction.
- c. Monetary items denominated in foreign currency are translated at the prevailing closing spot rate at each reporting date.
- d. Foreign exchange gain or losses in respect of monetary and non-monetary items is recognised in statement of profit and loss.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.16** Tax expenses represents the sum of current tax and deferred tax

**a Current Income Tax**

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**b Deferred tax**

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**1.17 Provisions**

Provision is recognized when:

- i. The Company has a present obligation as a result of a past event, and
- ii) A probable outflow of resources is expected to settle the obligation and
- iii) A reliable estimate of the amount of the obligation can be made.  
Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.

**Discounting of Provisions**

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.18 Contingent Liabilities and contingent Assets**

- a) Contingent Liabilities are disclosed in either of the following cases:
- i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
  - ii) A reliable estimate of the present obligation cannot be made; or
  - iii) A possible obligation, unless the probability of outflow of resource is remote.
- b) Contingent assets is disclosed where an inflow of economic benefits is probable.
- c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

**1.19 Earnings Per Share**

In determining earnings per share, the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The dilutive earning per share is same as basic earning per share as there is no dilution involved during the year.

**1.20 Fair Value Measurement**

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

**1.21 Dividend to equity holders**

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

**1.22 Financial instruments:-**

- a) **Initial recognition and measurement**

Financial Instruments are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**d) Derecognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

**e) Impairment of financial assets:**

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 45(b) details how the company determines whether there has been significant increase in credit risk.

For trade receivables only, the companies applied a simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of receivables.

**1.23 Current and Non-Current**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) Held primarily for the purpose of trading.
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.24 Leases:**

**As a Lessee**

The Company lease asset classes primarily consist of leases for buildings taken on lease. The company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is measured by applying cost model i.e. right-of use asset at cost less accumulated depreciation. Right-of use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The carrying amount of lease liability is increased by interest on lease liability and reduce by lease payment made.

**As a Lessor**

Lease income from operating leases where the company is a lessor is recognized in income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**Transition**

Effective April 1, 2019, the company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application. Accordingly, Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

For the comparative information that is till March 31, 2019, the Company has followed the following accounting policy as a lessee

**Finance Lease:**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

**Operating Lease:**

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**1.25 Non-current Assets (or disposal groups) held for Sale**

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 5 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of

- (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and
- (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

**1.26 Units of Measurement:**

All financial information presented in Indian rupees and all values are rounded to the nearest lakhs rupees with two decimal points except where otherwise stated.







Notes to Standalone Financial Statements as at 31st March 2022

| Particulars          | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|----------------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|                      | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Factory Buildings    | 24.02          | -         | -                   | 24.02          | 15.07          | 1.02         | -                      | 16.09          | 16.99                | 7.03           | -                      | 8.54           | 9.05           |
| Office Buildings     | 7.12           | -         | -                   | 7.12           | 3.91           | 0.15         | -                      | 4.07           | 20.88                | 2,964.77       | -                      | 3.06           | 3.21           |
| Plant & Machinery    | 200.88         | -         | -                   | 200.88         | 199.85         | 9.24         | -                      | 198.11         | 176.79               | 33.14          | -                      | 40.77          | 50.01          |
| Furniture & Fixtures | 109.63         | 51.16     | 15.92               | 159.88         | 89.81          | 13.26        | -                      | 103.08         | 120.37               | 56.53          | -                      | 56.90          | 19.02          |
| Office Equipments    | 195.23         | 98.27     | 32.82               | 203.50         | 86.74          | 23.78        | -                      | 109.51         | 157.73               | 76.59          | -                      | 80.96          | 18.40          |
| Computers & Printers | 89.78          | 20.06     | 26.82               | 168.81         | 64.33          | 7.97         | -                      | 72.31          | 80.63                | 26.71          | -                      | 17.51          | 5.43           |
| Vehicles             | 200.77         | 171.81    | 0.48                | 372.20         | 143.90         | 51.07        | 0.43                   | 195.44         | 246.37               | 173.87         | -                      | 170.77         | 55.87          |
| Total                | 728.22         | 341.38    | 0.48                | 1,069.12       | 563.84         | 156.26       | 0.43                   | 688.69         | 829.03               | 2,940.22       | -                      | 397.51         | 182.97         |

2 (b) RIGHT-OF-USE ASSETS

| Particulars | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|-------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|             | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Buildings * | 1,590.10       | 479.52    | -                   | 2,069.62       | 244.96         | 238.78       | -                      | 483.77         | 607.04               | 1,545.71       | -                      | 1,266.46       | 1,245.71       |
| Total       | 1,890.19       | 479.52    | -                   | 2,069.62       | 244.39         | 238.78       | -                      | 483.17         | 607.04               | 1,845.11       | -                      | 1,586.46       | 1,545.71       |

\* Refer note no. 46(i) for Right-of-use Assets

2 (c) CAPITAL WORK IN PROGRESS

| Particulars             | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|-------------------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|                         | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Leasehold improvement * | 44.03          | -         | 44.03               | -              | -              | -            | -                      | -              | -                    | -              | -                      | -              | 44.03          |
| Total                   | 44.03          | -         | 44.03               | -              | -              | -            | -                      | -              | -                    | -              | -                      | -              | 44.03          |

\* Refer note no. 46(i) for Capital Construction

2 (d) INVESTMENT PROPERTY

| Particulars    | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|----------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|                | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Land: Freehold | 16.00          | -         | -                   | 16.00          | -              | -            | -                      | -              | 200.35               | 200.35         | -                      | 19.00          | 16.00          |
| Buildings *    | 977.59         | 10.19     | 77.83               | 987.75         | 305.10         | 30.82        | -                      | 300.72         | 431.06               | 634.52         | -                      | 601.06         | 621.49         |
| Total          | 993.67         | 10.19     | 77.83               | 1,008.86       | 306.10         | 30.82        | -                      | 308.72         | 431.08               | 834.87         | -                      | 800.14         | 640.37         |

\* Refer note no. 38 for Investment Property

2 (e) INTANGIBLE ASSETS

| Particulars | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|-------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|             | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Software    | 23.85          | -         | -                   | 23.85          | 20.37          | 0.99         | -                      | 21.37          | 21.96                | 1.89           | -                      | 2.48           | 3.47           |
| Total       | 23.85          | -         | -                   | 23.85          | 20.37          | 0.99         | -                      | 21.37          | 21.96                | 1.89           | -                      | 2.48           | 3.47           |

2 (f) INTANGIBLE ASSETS UNDER DEVELOPMENT

| Particulars | GROSS BLOCK    |           |                     |                | DEPRECIATION   |              |                        |                | NET BLOCK            |                |                        |                |                |
|-------------|----------------|-----------|---------------------|----------------|----------------|--------------|------------------------|----------------|----------------------|----------------|------------------------|----------------|----------------|
|             | As at 01.04.20 | Additions | Sales / Adjustments | As at 31.03.21 | As at 01.04.20 | For the year | Deduction / Adjustment | As at 31.03.21 | Total As at 31.03.22 | As at 31.03.22 | Deduction / Adjustment | As at 31.03.21 | As at 31.03.20 |
| Software    | 16.86          | -         | -                   | 16.86          | -              | -            | -                      | -              | 16.86                | 16.86          | -                      | 16.86          | 16.86          |
| Total       | 16.86          | -         | -                   | 16.86          | -              | -            | -                      | -              | 16.86                | 16.86          | -                      | 16.86          | 16.86          |

\* Refer note no. 37 for Intangible Assets under development





**K.L.J Resources Limited**  
Regd. Office: 8, Camat Street, Kolkata-700017

Notes to Standalone Financial Statements as at 31st March 2022

**3 NON CURRENT INVESTMENTS**

(Rupees in Lakhs)

| S.No.   | Name of The Company  | Nature of Investment         | Face Value | No of Shares   |                | Amount          |                 |
|---|--|------------------------------|------------|----------------|----------------|-----------------|-----------------|
|   |  |                              |            | As at 31-03-22 | As at 31-03-21 | As at 31-03-22  | As at 31-03-21  |
| <b>A In Equity Shares</b>                               |  |                              |            |                |                |                 |                 |
| <b>a) Quoted (Fully Paid Up)</b>                        |  |                              |            |                |                |                 |                 |
| 1   | Industan Petroleum Corporation Ltd.<br>Market Value as on 31-3-22 Rs. 3,67,823/- (FY- Rs.3,16,643/-) | Equity Shares                | 10         | 1,350          | 1,350          | 3.64            | 3.17            |
| 2   | DCM Shyam Ltd.<br>Market Value as on 31-3-22 Rs. Nil. (FY-Rs.89,69,386/-)                            | Equity Shares                | 2          | -              | 17,800         | -               | 85.99           |
| 3   | ITC Limited<br>Market Value as on 31-3-22 Rs. 5,69,38,000 (FY- Nil)                                  | Equity Shares                | 1          | 2,38,000       | -              | 589.38          | -               |
| <b>b) Unquoted (Fully Paid Up)</b>                      |  |                              |            |                |                |                 |                 |
| <b>i) In Wholly Owned Subsidiary</b>                    |  |                              |            |                |                |                 |                 |
| 1   | Abanots Townships and Resorts Pvt. Ltd.  | Equity Shares                | 10         | 11,30,000      | 11,30,000      | 113.00          | 113.00          |
| 2   | Shakerds Townships and Resorts Pvt. Ltd.   | Equity Shares                | 10         | 16,10,000      | 16,10,000      | 161.00          | 161.00          |
| 3   | Springdale Townships and Resorts Pvt. Ltd.   | Equity Shares                | 10         | 10,90,000      | 10,90,000      | 109.00          | 109.00          |
| 4   | Valley View Townships Pvt. Ltd.  | Equity Shares                | 10         | 20,10,000      | 20,10,000      | 201.00          | 201.00          |
| 5   | KLJ Specialty Chemicals Pvt. Ltd.  | Equity Shares                | 10         | 50,000         | -              | 5.00            | -               |
| 6   | AK Buildtech Pvt. Ltd.   | Equity Shares                | 10         | 10,000         | 10,000         | 0.96            | 37.66           |
| 7   | Sodhek Real Estate Pvt. Ltd.   | Equity Shares                | 10         | 18,000         | 10,000         | 1.09            | 1.09            |
| 8   | KLJ Resources DMCC (includes Deemed investment of Rs INR 294.33 lakhs after amortisation)            | Equity Shares                | AED1000    | 3,670          | 3,670          | 988.51          | 625.18          |
| <b>ii) In Associates</b>                                |  |                              |            |                |                |                 |                 |
| 1   | Harnog Plastic Goods Pvt. Ltd. (Shareholding 24%)  | Equity Shares                | 10         | 16,235         | 19,235         | 2.64            | 2.64            |
| <b>iii) In Others</b>                                   |  |                              |            |                |                |                 |                 |
| 1   | Pigini Sound Products Co. Pvt. Ltd.  | Equity Shares                | 100        | 5,715          | 5,715          | 1,457.63        | 1,040.47        |
| 2   | Lubhansri Properties Pvt. Ltd.   | Equity Shares                | 10         | 8,600          | 8,600          | 53.18           | 37.38           |
| 3   | H.H Buildtech Pvt. Ltd.  | Equity Shares                | 10         | 5,40,000       | 5,40,000       | 66.05           | 66.11           |
| 4   | Shakti Finance Pvt. Ltd.   | Equity Shares                | 10         | 33,500         | 33,500         | 87.96           | 71.03           |
| 5   | Pragati Imports Pvt. Ltd.  | Equity Shares                | 10         | 45,000         | 45,000         | 92.02           | 77.40           |
| 6   | Pragati Imptrade Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 69.66           | 56.95           |
| 7   | Pragati Tradecom Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 73.00           | 63.00           |
| 8   | Swastik Exports and Imports Pvt. Ltd.  | Equity Shares                | 10         | 45,000         | 45,000         | 81.75           | 68.85           |
| 9   | Swastik Tracom Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 82.24           | 69.30           |
| 10  | Swastik Trades Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 40,000         | 81.70           | 68.85           |
| 11  | KLJ Developers Pvt. Ltd.   | Equity Shares                | 10         | 4,76,000       | 4,76,000       | 1,542.24        | 1,400.36        |
| 12  | KLJ Plastic Ltd.   | Equity Shares                | 10         | 58,000         | 58,000         | -               | -               |
| 13  | AMI Computers Ltd.   | Equity Shares                | 10         | 2,000          | 2,000          | -               | -               |
| 14  | Asia Pacific Financial Services Ltd.   | Equity Shares                | 10         | 500            | 500            | -               | -               |
| 15  | S M Dyechem Ltd.   | Equity Shares                | 10         | 500            | 500            | -               | -               |
| <b>B In Preference Shares- Unquoted (Fully Paid Up)</b> |  |                              |            |                |                |                 |                 |
| 1   | KLJ Plastic Ltd.   | Preference Shares            | 10         | 15,210         | 15,210         | -               | -               |
| <b>a) In Bonds: Quoted (Fully Paid Up)</b>              |  |                              |            |                |                |                 |                 |
| 1   | 9.25% Shyam Transport Finance Company<br>Market Value As on 31-03-22 Rs. Nil. (FY Rs.1,01,13,000/-)  | Bonds                        | 10,00,000  | -              | 10             | -               | 101.12          |
| 2   | 6.5% Vedanta Limited<br>Market Value as on 31-03-22 Rs. Nil. (FY Rs.1,00,02,000/-)                   | Bonds                        | 10,00,000  | -              | 10             | -               | 100.02          |
| <b>C In Mutual Funds: Quoted (Fully Paid Up)</b>        |  |                              |            |                |                |                 |                 |
| 1   | Kotak Standard Multicap Fund<br>Market Value as on 31-3-22 Rs.3,19,59,536/- (FY- Rs. 2,76,48,741/-)  | Mutual Funds (Rs's in units) | 10         | 6,14,940       | 6,14,948       | 318.80          | 276.48          |
| <b>Total Investments-Non Current</b>                    |  |                              |            |                |                | <b>6,063.01</b> | <b>4,933.01</b> |

**3 CURRENT INVESTMENTS**

| S.No.                              | Name of The Company   | Nature of Investment         | Face Value | No of Shares   |                | Amount           |                 |
|------------------------------------|---|------------------------------|------------|----------------|----------------|------------------|-----------------|
|                                    |   |                              |            | As at 31-03-22 | As at 31-03-21 | As at 31-03-22   | As at 31-03-21  |
| 1                                  | IGI Floating Rate Debt Fund Direct Plan<br>Market Value as on 31-3-22 Rs.89,72,21,204 (FY- Nil) | Mutual Funds (Rs's in units) | 10         | 579,09,517     | -              | 6,072.21         | -               |
| <b>Total Investments - Current</b> |   |                              |            |                |                | <b>6,072.21</b>  | <b>-</b>        |
| <b>Total Investments</b>           |   |                              |            |                |                | <b>12,135.22</b> | <b>4,933.01</b> |

|   |          |          |
|---|----------|----------|
| a) Aggregate amount of quoted investments and market value thereof;   | 6,984.82 | 666.56   |
| b) Aggregate amount of unquoted investments;  | 5,178.60 | 4,267.11 |
| c) Aggregate amount of impairment in value of investments (includes Provision for Impairment Loss of AK Buildtech Pvt. Ltd. Rs. 37 lakhs) | 102.19   | 64.18    |

Investments are recognized at Fair Value as per Ind AS 109. Investments in subsidiaries and associates have been carried at cost less impairment less if any. Through Other Comprehensive Income.





**K L J Resources Limited**  
 Regd. Office: 8, Camac Street, Kolkata-700017

**Notes to Standalone Financial Statements as at 31st March 2022**

|   | (Rupees in Lakhs)        | (Rupees in Lakhs)        |
|---|--------------------------|--------------------------|
|   | As At<br>31st March 2022 | As At<br>31st March 2021 |
| <b>4 OTHER NON CURRENT FINANCIAL ASSETS</b><br>(Unsecured, considered good) |                          |                          |
| Security Deposits   | 130.66                   | 139.58                   |
| Finance Lease Receivable  | 190.44                   | 158.41                   |
| "Refer note no. 60 Lease"   | <u>321.11</u>            | <u>297.99</u>            |
| <b>5 DEFERRED TAX ASSETS / (LIABILITIES) (net)</b>                          |                          |                          |
| Opening Balance   | (327.51)                 | (274.44)                 |
| Add: Charge/(Credit) to Statement of Profit and Loss                        | (18.75)                  | 54.76                    |
| Add: Charge/(Credit) to Other Comprehensive Income                          | (181.98)                 | (107.83)                 |
|   | <u>(508.24)</u>          | <u>(327.51)</u>          |
| <b>Component of Deferred Tax Asset / (Liabilities)</b>                      |                          |                          |
| <b>Opening Balance</b>  |                          |                          |
| Property, Plant & Equipment and Intangible Asset                            | 90.41                    | 80.89                    |
| Provisions  | 66.08                    | 20.84                    |
| Fair Value of Investment  | (485.22)                 | (381.62)                 |
| Defined Benefit Plans   | 1.22                     | 5.44                     |
|   | <u>(327.51)</u>          | <u>(274.45)</u>          |
| <b>Charge/(Credit) to Statement of Profit and Loss</b>                      |                          |                          |
| Property, Plant & Equipment and Intangible Asset                            | (8.78)                   | 9.52                     |
| Provisions  | (9.97)                   | 45.24                    |
|   | <u>(18.75)</u>           | <u>54.76</u>             |
| <b>Charge/(Credit) to Other Comprehensive Income</b>                        |                          |                          |
| Fair Value of Investment  | (156.01)                 | (103.61)                 |
| Defined Benefit Plans   | (5.97)                   | (4.22)                   |
|   | <u>(161.98)</u>          | <u>(107.83)</u>          |
| <b>Closing Balance</b>  |                          |                          |
| Property, Plant & Equipment and Intangible Asset                            | 81.63                    | 90.41                    |
| Provisions  | 56.12                    | 66.08                    |
| Defined Benefit Plans   | (4.75)                   | 1.22                     |
| Fair Value of Investment  | (641.23)                 | (485.22)                 |
|   | <u>(508.24)</u>          | <u>(327.51)</u>          |
| <b>6 OTHER NON CURRENT ASSETS</b>   |                          |                          |
| Planned Asset (Gratuity)  | 214.13                   | 187.27                   |
| "Refer note no. 36 for Employee Benefit Obligation"                         | <u>214.13</u>            | <u>187.27</u>            |
| <b>7 INVENTORIES</b>  |                          |                          |
| Stock In Trade  | 30,087.99                | 45,359.96                |
| Stock In Transit  | 23,160.35                | 11,498.40                |
| Raw Materials   | 490.60                   | 354.08                   |
| Finished Goods  | 245.20                   | 124.60                   |
| Valuation of inventories are done as per point no. 1.6 of significant       | <u>53,984.14</u>         | <u>57,337.04</u>         |
| <b>8 TRADE RECEIVABLE</b><br>(Unsecured, considered good)                   |                          |                          |
| Related Party   | 2,040.71                 | 1,356.45                 |
| Others  | 61,817.00                | 43,593.24                |
|   | <u>63,857.71</u>         | <u>44,949.69</u>         |
| Provision for Expected Credit Losses  | 19.00                    | 25.00                    |
|   | <u>63,838.71</u>         | <u>44,924.69</u>         |





**K L J Resources Limited**  
**Regd. Office: 8, Camac Street, Kolkata-700017**

Notes to Standalone Financial Statements as at 31st March 2022

For trade receivables outstanding as on 31st March 2022, following ageing schedule shall be given:

(Rupees in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   | Total     |
|--|--|------------------|-----------|-----------|-------------------|-----------|
|  | Less than 6 months   | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years |           |
| (i) Undisputed Trade receivables — considered good                                 | 62,441.64  | 540.79           | 873.78    | 1.49      | -                 | 63,857.71 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | -  | -                | -         | -         | -                 | -         |
| (iii) Undisputed Trade Receivables — credit impaired                               | -  | -                | -         | -         | -                 | -         |
| (iv) Disputed Trade Receivables — considered good                                  | -  | -                | -         | -         | -                 | -         |
| (v) Disputed Trade Receivables — which have significant increase in credit risk    | -  | -                | -         | -         | -                 | -         |
| (vi) Disputed Trade Receivables — credit impaired                                  | -  | -                | -         | -         | -                 | -         |

For trade receivables outstanding as on 31st March 2021, following ageing schedule shall be given:

(Rupees in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   | Total     |
|--|--|------------------|-----------|-----------|-------------------|-----------|
|  | Less than 6 months   | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years |           |
| (i) Undisputed Trade receivables — considered good                                 | 43,181.10  | 759.45           | 1,009.14  | -         | -                 | 44,949.69 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | -  | -                | -         | -         | -                 | -         |
| (iii) Undisputed Trade Receivables — credit impaired                               | -  | -                | -         | -         | -                 | -         |
| (iv) Disputed Trade Receivables — considered good                                  | -  | -                | -         | -         | -                 | -         |
| (v) Disputed Trade Receivables — which have significant increase in credit risk    | -  | -                | -         | -         | -                 | -         |
| (vi) Disputed Trade Receivables — credit impaired                                  | -  | -                | -         | -         | -                 | -         |

\*Refer note no. 54 for market risk and credit risk\*





K L J Resources Limited  
Regd. Office: 8, Camac Street, Kolkata-700017

Notes to Standalone Financial Statements as at 31st March 2022

(Rupees in Lakhs)

|   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| <b>9 CASH AND CASH EQUIVALENTS</b>                                    |                           |                           |
| Cash on Hand  | 8.41                      | 9.18                      |
| <u>Balance with Banks:</u>  |                           |                           |
| Current Accounts  | 3.22                      | 16.32                     |
|   | <u>11.63</u>              | <u>25.50</u>              |
| <b>10 BANK BALANCES OTHER THAN CASH &amp; CASH EQUIVALENTS</b>        |                           |                           |
| FDR's with Banks as Margin Money                                      | 3,450.48                  | 3,435.81                  |
| FDR's with Banks as Security  | 530.27                    | 1,591.96                  |
|   | <u>3,980.75</u>           | <u>5,027.77</u>           |
| <b>11 LOANS</b>   |                           |                           |
| (Loans Receivables considered good – Unsecured)                       |                           |                           |
| Loans to related parties  | 2,038.52                  | 2,321.88                  |
| (Loans Receivables which have significant increase in credit risk)    |                           |                           |
| Loans to related parties  | 399.45                    | -                         |
| Less: Provision for doubtful advance                                  | (399.45)                  | -                         |
| (Loans Receivables considered good – Unsecured)                       |                           |                           |
| Others  | 10,032.20                 | 6,285.94                  |
| (Loans Receivables which have significant increase in credit risk)    |                           |                           |
| Loans to Others   | 381.18                    | -                         |
| Less: Provision for doubtful advance                                  | (381.18)                  | -                         |
|   | <u>12,070.72</u>          | <u>8,607.82</u>           |
| *Refer note no. 42 for Loan repayable on demand*                      |                           |                           |
| *Refer note no. 54 for credit risk and market risk*                   |                           |                           |
| <b>12 OTHER CURRENT FINANCIAL ASSETS</b>                              |                           |                           |
| Accrued Interest on FDR's   | 37.36                     | 71.98                     |
| Advances (Recoverable in cash or in kind or for value to be received) | 127.16                    | 27.38                     |
| Rent Receivable   | 11.14                     | 60.68                     |
|   | <u>175.66</u>             | <u>160.04</u>             |
| <b>13 CURRENT TAX</b>   |                           |                           |
| Current Tax Liability   |                           |                           |
| Direct Tax Payable  | 6,380.00                  | 6,920.00                  |
| Less: Advance Tax & TDS   | 5,970.03                  | 6,569.76                  |
|   | <u>409.97</u>             | <u>350.24</u>             |
| <b>14 OTHER CURRENT ASSETS</b>  |                           |                           |
| Prepaid Expenses  | 149.95                    | 246.67                    |
| Balance of GST  | 756.10                    | 2,204.59                  |
| Other Advances  | 788.31                    | 328.86                    |
|   | <u>1,694.36</u>           | <u>2,780.12</u>           |





**K L J Resources Limited**  
Regd. Office: 8, Camac Street, Kolkata-700017

**Notes to Standalone Financial Statements as at 31st March 2022**

(Rupees in Lakhs)

|  | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
|--|---------------------------|---------------------------|
| <b>15 EQUITY SHARE CAPITAL</b>   |                           |                           |
| Authorised Share Capital:  | 2,500.00                  | 2,500.00                  |
| 2,50,00,000 Equity Shares (PY 2,50,00,000 Equity Shares) of Rs.10/- each |                           |                           |
| <br>   |                           |                           |
| Issued, Subscribed, Called & fully Paid-up shares:                       | 1,074.00                  | 1,074.00                  |

(a) Reconciliation of the shares outstanding at the

|                                    | As At 31st March, 2022 |          | As At 31st March, 2021 |          |
|------------------------------------|------------------------|----------|------------------------|----------|
|                                    | No. of Shares<br>Held  | Amount   | No. of Shares<br>Held  | Amount   |
| Equity Shares                      |                        |          |                        |          |
| At the beginning of the year       | 107,40,000             | 1,074.00 | 107,40,000             | 1,074.00 |
| Issued during the year             | -                      | -        | -                      | -        |
| Outstanding at the end of the year | 107,40,000             | 1,074.00 | 107,40,000             | 1,074.00 |

(b) Rights, preference and restrictions attached to Equity Shares:

The company has at present only one class of equity shares having a par value of Rs.10/- each share. Each shareholder is entitled for one vote per share held & entitled to dividend in proportion of their shareholdings. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholdings.

(c) During the financial year 2017-18 the Company has issued 35,80,000 Bonus share in the ratio of one equity share for every two shares held by capitalization of Securities Premium Reserve.

(d) The Company has not issued any shares for a consideration other than cash immediately preceding five year except aforesaid Bonus Shares.

(e) Details of Shareholders holding more than 5% shares in the company:

|                                      | As At 31st March, 2022 |                          | As At 31st March, 2021 |                          |
|--------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
|                                      | No. of Shares<br>Held  | Percentage of<br>Holding | No. of Shares<br>Held  | Percentage of<br>Holding |
| Sh. Hemant Jain                      | 13,15,200              | 12.25                    | 13,15,200              | 12.25                    |
| Sh. Kamal Jain                       | 13,14,750              | 12.24                    | 13,14,750              | 12.24                    |
| Sh. Pushp Jain                       | 13,15,050              | 12.24                    | 13,15,050              | 12.24                    |
| Bhadani Financers Pvt. Ltd.          | 12,00,000              | 11.17                    | 12,00,000              | 11.17                    |
| Siddhi Shree Vincem Pvt. Ltd.        | 12,09,022              | 11.26                    | 12,09,022              | 11.26                    |
| Sh. K. L. Jain                       | 9,75,000               | 9.08                     | 9,75,000               | 9.08                     |
| Mangalshree Suppliers Pvt. Ltd.      | 8,98,200               | 8.36                     | 8,98,200               | 8.36                     |
| Pioneer Infra-Constructions (P) Ltd. | 7,50,750               | 6.99                     | 7,50,750               | 6.99                     |
| Smt. Sushila Jain                    | 6,75,000               | 6.29                     | 6,75,000               | 6.29                     |

(f) The aggregate shareholding of the promoters and promoter group as on

|   | As At 31st March, 2022   |                          |                                | As At 31st March, 2021 |                          |                                |
|---|--------------------------|--------------------------|--------------------------------|------------------------|--------------------------|--------------------------------|
|   | No. of Shares<br>Held    | Percentage of<br>Holding | % Change<br>during the<br>year | No. of Shares<br>Held  | Percentage of<br>Holding | % Change<br>during the<br>year |
|   | <b>A. Promoter</b>       |                          |                                |                        |                          |                                |
| Sh. Hemant Jain   | 13,15,200                | 12.25                    | -                              | 13,15,200              | 12.25                    | -                              |
| Sh. Kamal Jain  | 13,14,750                | 12.24                    | -                              | 13,14,750              | 12.24                    | -                              |
| Sh. Pushp Jain  | 13,15,050                | 12.25                    | -                              | 13,15,050              | 12.25                    | -                              |
| Sh. K. L. Jain  | 9,75,000                 | 9.08                     | -                              | 9,75,000               | 9.08                     | -                              |
| Smt. Sushila Jain                                       | 6,75,000                 | 6.29                     | -                              | 6,75,000               | 6.29                     | -                              |
|   | <b>B. Promoter Group</b> |                          |                                |                        |                          |                                |
| Siddhant Jain   | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Master Harsh Jain (through his guardian Mr. Pushp Jain) | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Ms. Harshita Jain (through his guardian Mr. Pushp Jain) | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Karan Jain  | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Chetan Jain   | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Supreme E Solutions Private Limited                     | 5,24,280                 | 4.89                     | -                              | 5,24,280               | 4.89                     | -                              |
| Times Technosoft Private Limited                        | 4,50,000                 | 4.19                     | -                              | 4,50,000               | 4.19                     | -                              |
| Prithvi Sound Product Company Private Limited           | 46,448                   | 0.43                     | -                              | 46,448                 | 0.43                     | -                              |





Notes to Standalone Financial Statements as at 31st March 2022

|  | As At<br>31st March, 2022 | (Rupees in Lakhs)<br>As At<br>31st March, 2021 |
|--|---------------------------|--|
| <b>16 OTHER EQUITY</b>   |                           |  |
| a) <b>Securities Premium Account</b>                                     |                           |  |
| Balance as per last financial statements                                 | 3,819.60                  | 3,819.60                                       |
| Closing Balance  | <u>3,819.60</u>           | <u>3,819.60</u>                                |
| b) <b>Capital Reserves</b>   |                           |  |
| Balance as per last financial statements                                 | 291.34                    | 291.34   |
| Closing Balance  | <u>291.34</u>             | <u>291.34</u>                                  |
| c) <b>Retained Earnings</b>  |                           |  |
| Balance as per last financial statements                                 | 56,701.50                 | 36,814.47                                      |
| Add: Profit for the year   | 17,483.66                 | 19,913.89                                      |
| Less: Dividend (Including Tax)   | 26.85                     | 26.85  |
| Net Surplus in the statement of profit and loss                          | <u>74,158.27</u>          | <u>56,701.51</u>                               |
| d) <b>Other Comprehensive Income</b>                                     |                           |  |
| Balance as per last financial statements                                 | 1,637.87                  | 1,262.91                                       |
| Add: Adjustment of Planned Assets (Gratuity)                             | 17.74                     | 12.55  |
| Add: Fair Value of Investment  | 513.68                    | 362.41   |
| Net Balance of Other Comprehensive Income                                | <u>2,169.29</u>           | <u>1,637.87</u>                                |
|  | <u>80,438.50</u>          | <u>62,450.32</u>                               |
| <b>17 BORROWINGS-NON-CURRENT</b>   |                           |  |
| <b>Secured</b>   |                           |  |
| Vehicle Loan   |                           |  |
| Secured with HDFC Bank Ltd. by Hypothecation of Vehicle                  |                           |  |
| Repayable in monthly installments in next 17 months                      | 36.75                     | 70.41  |
| Secured with Corporation Bank Ltd. by Hypothecation of Vehicle           | -                         | 4.36   |
|  | <u>36.75</u>              | <u>74.77</u>                                   |
| Less Current Maturity of Long Term Borrowings                            | 25.51                     | 33.66  |
|  | <u>11.24</u>              | <u>41.11</u>                                   |
| <b>18 LEASE LIABILITIES-NON-CURRENT</b>                                  |                           |  |
| Lease Liability  | 1,302.38                  | 1,392.90                                       |
| "Refer note no. 60 for lease liability"                                  | <u>1,302.38</u>           | <u>1,392.90</u>                                |
| <b>19 OTHER FINANCIAL LIABILITIES-NON-CURRENT</b>                        |                           |  |
| Obligation against Financial Guarantee at Fair Value net of amortisation | 264.33                    | -  |
|  | <u>264.33</u>             | <u>-</u>                                       |
| <b>20 PROVISIONS-NON-CURRENT</b>   |                           |  |
| Provisions for employee benefits Ex-Gratia                               | 86.59                     | 62.83  |
| Provisions for employee benefits Gratuity                                | 120.73                    | 123.18   |
|  | <u>187.32</u>             | <u>186.01</u>                                  |
| <b>OTHER NON CURRENT LIABILITIES</b>                                     |                           |  |
| Security Deposits  | 67.62                     | 119.01   |
|  | <u>67.62</u>              | <u>119.01</u>                                  |



**K L J Resources Limited**

Regd. Office: 8, Camac Street, Kolkata-700017

**Notes to Standalone Financial Statements as at 31st March 2022**

|   | (Rupees in Lakhs)         |                           |
|---|---------------------------|---------------------------|
|   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
| <b>22 BORROWINGS-CURRENT</b>  |                           |                           |
| <b>Secured, Repayable on Demand</b>                                     |                           |                           |
| From Banks:   |                           |                           |
| Cash Credit Facilities  | 7,115.13                  | 5,787.54                  |
| Buyer's Credit in Foreign Currency                                      | -                         | 6,010.95                  |
|   | <u>7,115.13</u>           | <u>11,798.49</u>          |
| <b>Unsecured</b>  |                           |                           |
| Loans   |                           |                           |
| Related Parties   | 135.37                    | 231.44                    |
| Other than Related Parties  | 128.79                    | -                         |
|   | <u>264.16</u>             | <u>231.44</u>             |
| <br>  |                           |                           |
| Current Maturity of Long Term Borrowings                                | 25.51                     | 33.66                     |
|   | <u>25.51</u>              | <u>33.66</u>              |
| <br>  |                           |                           |
| *Refer note no. 43 for Borrowing from Banks                             | <u>7,404.80</u>           | <u>12,063.59</u>          |
| <br>  |                           |                           |
| <b>23 LEASE LIABILITIES</b>   |                           |                           |
| Current Maturity of Long Term Lease Liability                           | 296.39                    | 177.22                    |
| *Refer note no. 60 for lease liability                                  | <u>296.39</u>             | <u>177.22</u>             |
| <br>  |                           |                           |
| <b>24 TRADE PAYABLES</b>  |                           |                           |
| a) dues of micro enterprises and small enterprises                      | 49.52                     | 47.95                     |
| b) dues of creditors other than micro enterprises and small enterprises |                           |                           |
| Related Parties   | 214.79                    | 281.42                    |
| Others  | 56,646.08                 | 44,560.33                 |
| c) disputed   |                           |                           |
| dues of micro enterprises and small enterprises                         |                           |                           |
| Others  |                           |                           |
|   | <u>56,910.39</u>          | <u>44,889.70</u>          |
| <br>  |                           |                           |
| *Refer note no. 48 for MSME Disclosure                                  |                           |                           |
| *Refer note no. 49 for Trade Payable Aging                              |                           |                           |
| <br>  |                           |                           |
| <b>25 OTHER FINANCIAL CURRENT LIABILITIES</b>                           |                           |                           |
| Interest accrued  | -                         | 0.36                      |
|   | <u>-</u>                  | <u>0.36</u>               |
| <br>  |                           |                           |
| <b>26 OTHER CURRENT LIABILITIES</b>                                     |                           |                           |
| Statutory Liabilities   | 524.05                    | 246.49                    |
| Advances From Customers   | 1,484.50                  | 2,383.24                  |
| Expense Payables  | 2,862.96                  | 1,185.34                  |
|   | <u>4,871.51</u>           | <u>3,815.07</u>           |
| <br>  |                           |                           |
| <b>27 PROVISIONS</b>  |                           |                           |
| Provisions for employee benefits Gratuity                               | 22.43                     | 17.48                     |
|   | <u>22.43</u>              | <u>17.48</u>              |







**K L J Resources Limited**  
 Regd. Office: 8, Camac Street, Kolkata-700017

**Notes to Standalone Financial Statements for the Year Ended 31st March 2022**

|  | Year Ended<br>31st March, 2022 | (Rupees in Lakhs)<br>Year Ended<br>31st March, 2021 |
|--|--------------------------------|---|
| <b>28 REVENUE FROM OPERATIONS</b>            |                                |   |
| Sale from Trading Concern                    | 3,09,710.40                    | 2,01,918.05   |
| Sale from Manufacturing Concern              | 12,125.72                      | 9,093.42  |
| Other Operating Revenue                      | 801.73                         | 635.26  |
|  | <u>3,22,637.85</u>             | <u>2,11,646.73</u>                                  |
| <b>29 OTHER INCOME</b>                       |                                |   |
| Interest on FDRs                             | 204.81                         | 182.97  |
| Interest on Right-of-use Assets              | 16.00                          | 13.29   |
| Interest Other's                             | 1,144.74                       | 785.15  |
| Rent   | 280.14                         | 377.74  |
| Bad Debts Recovery (Net of Write off)        | -                              | 19.00   |
| Profit on Sale of Shares & Mutual Fund (Net) | 163.32                         | 559.73  |
| Dividend                                     | 13.88                          | 30.18   |
| Profit / (Loss) on Sale of Fixed Assets      | -                              | (0.03)  |
|  | <u>1,822.89</u>                | <u>1,968.03</u>                                     |
| <b>30 COST OF MATERIAL CONSUMED</b>          |                                |   |
| Opening Stock                                | 403.18                         | 519.81  |
| Add : Purchases                              | 10,604.44                      | 7,319.72  |
|  | 11,007.62                      | 7,839.53  |
| Less: Closing Stock                          | 490.60                         | 403.18  |
|  | <u>10,517.02</u>               | <u>7,436.35</u>                                     |
| <b>31 PURCHASE OF STOCK-IN-TRADE</b>         |                                |   |
| Purchase of Traded Goods                     | 2,71,359.01                    | 1,98,432.54   |
| Import Expenses                              | 5,110.62                       | 5,277.42  |
| Foreign Exchange Fluctuation Effect          | 898.93                         | (1,140.44)  |
|  | <u>2,77,367.56</u>             | <u>2,02,569.52</u>                                  |
| <b>32 CHANGES IN INVENTORIES OF FINISHED</b> |                                |   |
| <b>Opening Stock</b>                         |                                |   |
| Traded Goods                                 | 56,809.26                      | 28,198.38   |
| Finished Goods                               | 124.60                         | 170.36  |
|  | 56,933.86                      | 28,368.74   |
| <b>Less : Closing Stock</b>                  |                                |   |
| Traded Goods                                 | 53,248.34                      | 56,809.26   |
| Finished Goods                               | 245.20                         | 124.60  |
|  | <u>53,493.54</u>               | <u>56,933.86</u>                                    |
|  | <u>3,440.32</u>                | <u>(28,565.12)</u>                                  |
| <b>33 EMPLOYEE BENEFITS EXPENSES</b>         |                                |   |
| Salaries & Wages *                           | 3,735.07                       | 1,792.73  |
| Contribution to Provident and other funds    | 87.56                          | 75.40   |
| Staff Welfare Expenses                       | 44.18                          | 40.94   |
|  | <u>3,866.81</u>                | <u>1,909.07</u>                                     |

\* Included Managerial Remuneration Rs.2723.45 Lakhs (PY Rs.818.20Lakhs)





**K L J Resources Limited**  
Regd. Office: 8, Camac Street, Kolkata-700017

Notes to Standalone Financial Statements for the Year Ended 31st March 2022

|   | Year Ended<br>31st March, 2022 | (Rupees in Lakhs)<br>Year Ended<br>31st March, 2021 |
|---|--------------------------------|---|
| <b>34 FINANCE COST</b>  |                                |   |
| Interest Paid   | 336.55                         | 323.32  |
| Bank Charges & Commission   | 112.27                         | 108.28  |
| Interest on Right-of-use Liability  | 162.98                         | 134.51  |
|   | <u>611.80</u>                  | <u>566.11</u>                                       |
| <b>35 OTHER EXPENSES</b>  |                                |   |
| Rent  | 16.86                          | 21.15   |
| Rates & Taxes / Fees  | 51.87                          | 11.30   |
| Repairs & Maintenance   | 65.56                          | 71.06   |
| Insurance Expenses  | 0.68                           | 1.43  |
| Power, Electricity & Water  | 46.04                          | 28.69   |
| Consumable Stores, Spares Parts Consumed  | 1.59                           | 1.42  |
| Telephone & Mobile  | 11.80                          | 10.78   |
| Postage & Courier Charges   | 10.33                          | 6.12  |
| Printing, Stationery & Computer expenses  | 17.49                          | 13.32   |
| Travelling and Conveyance   | 100.69                         | 52.84   |
| Vehicle Running & Maintenance   | 22.98                          | 22.10   |
| Cess Expenses   | -                              | 250.00  |
| Advertising & Publicity   | 0.41                           | 7.16  |
| Business Promotion  | 165.94                         | 73.12   |
| Brokerage & Commission  | 898.71                         | 572.09  |
| Reclassified Net Cumulative Loss/ (gain)<br>on Investment in Equity Share Carried at FVTOCI   | (32.66)                        | 21.27   |
| Export Expenses   | 0.50                           | 5.53  |
| Freight Expenses  | 1,611.35                       | 905.92  |
| Consultancy, Legal & Professional Fees  | 207.29                         | 143.93  |
| Membership & Subscriptions  | 53.50                          | 36.91   |
| Director Sitting Fee  | 2.24                           | 1.18  |
| Miscellaneous Expense   | 90.92                          | 85.77   |
| Bad Debts (Net)   | 84.58                          | -   |
| CSR Expenses- Refer Note 51   | 254.33                         | 207.50  |
| Provision for Expected Credit Losses  | (6.00)                         | 13.00   |
| Provision for doubtful debts  | 780.63                         | -   |
| Amortisation of Deemed Investment in subsidiary   | 51.78                          | -   |
| Corresponding Deemed Income from Subsidiary   | (51.78)                        | -   |
| Auditor Remuneration- Refer Note 45   | 15.80                          | 12.25   |
|   | <u>4,473.43</u>                | <u>2,575.84</u>                                     |
| <b>36 OTHER COMPREHENSIVE INCOME</b>  |                                |   |
| The disaggregation of changes to OCI by each type of reserve in equity is shown below:  |                                |   |
| a) <u>Remeasurement of Defined benefit plans</u>  |                                |   |
| Items that will not be reclassified to Profit or Loss   | 23.71                          | 16.77   |
| Income Tax relating to items that will not be reclassified to Statement of Profit and Loss  | (5.97)                         | (4.22)  |
| b) <u>Remeasurement of Fair Value Investment</u>  |                                |   |
| Items that will not be reclassified to Profit or Loss   | 702.35                         | 444.74  |
| Income Tax relating to items that will not be reclassified to Statement of Profit and Loss  | (183.62)                       | (103.61)  |
|   | <u>556.47</u>                  | <u>353.68</u>                                       |
| c) <u>Remeasurement of Fair Value Investment</u>  |                                |   |
| Items that will be reclassified subsequently to Profit or Loss  |                                |   |
| Net cumulative (gain)/loss reclassified to statement of profit and loss of investment in equities carried at fair value through other comprehensive income              | (32.66)                        | 28.43   |
| Income Tax relating net cumulative gain reclassified to statement of profit and loss of investment in equities carried at fair value through other comprehensive income | 7.61                           | (7.15)  |
|   | <u>(25.05)</u>                 | <u>21.28</u>  |
| Actuarial Gain on Gratuity and increase in fair valuation of investments along with its tax component are recognised in other comprehensive income.                     |                                |   |





Note 37. Earnings per Share:

| Particulars                  | (Rupees in Lakhs) |                 |
|------------------------------|-------------------|-----------------|
|                              | 31st March 2022   | 31st March 2021 |
|                              | (Rs. per share)   | (Rs. per share) |
| <b>Basic EPS</b>             |                   |                 |
| From continuing operation    | 162.79            | 185.42          |
| From discontinuing operation | -                 | -               |
| <b>Diluted EPS</b>           |                   |                 |
| From continuing operation    | 162.79            | 185.42          |
| From discontinuing operation | -                 | -               |

37.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

| Particulars  | (Rupees in Lakhs) |                  |
|--|-------------------|------------------|
|  | 31st March 2022   | 31st March 2021  |
| Profit attributable to equity holders of the Group:            |                   |                  |
| Continuing operations  | 17,483.64         | 19,913.89        |
| Discontinuing operations                                       | -                 | -                |
| <b>Earnings used in calculation of Basic Earning Per Share</b> | <b>17,483.64</b>  | <b>19,913.89</b> |

Weighted average number of shares for the purpose of basic earnings per share

107,40,000 107,40,000

37.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

| Particulars   | (Rupees in Lakhs) |                  |
|---|-------------------|------------------|
|   | 31st March 2022   | 31st March 2021  |
| Profit attributable to equity holders of the Group:   |                   |                  |
| Continuing operations   | 17,483.64         | 19,913.89        |
| Discontinuing operations  | -                 | -                |
| <b>Earnings used in calculation of diluted Earning Per Share from continuing operations</b> | <b>17,483.64</b>  | <b>19,913.89</b> |

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

| Particulars   | 31st March 2022   | 31st March 2021   |
|---|-------------------|-------------------|
| Weighted average number of Equity shares used in calculation of basic earnings per share          | 107,40,000        | 107,40,000        |
| Effect of dilution:   |                   |                   |
| Share Options   | -                 | -                 |
| <b>Weighted average number of Equity shares used in calculation of diluted earnings per share</b> | <b>107,40,000</b> | <b>107,40,000</b> |

Note 38. Employee Benefit Obligation

The Group obtained reports as required by Ind AS 19 (Employee Benefits) based on which disclosures have been made in the financial statement for the year ended March, 31 2022. The disclosures as required by the Ind AS 19 are as below.

Defined Benefit Plan

Gratuity

The Group makes annual contributions to an income tax approved irrevocable trust gratuity fund to finance the plan liability, a funded defined benefit plan for qualifying employees.

Actuarial Assumptions

| Particulars                | 31st March 2022 | 31st March 2021 |
|----------------------------|-----------------|-----------------|
| i) Discounting Rate        | 7.19%           | 6.80%           |
| ii) Future Salary Increase | 6.00%           | 6.00%           |

| Particulars   | 31st March 2022        | 31st March 2021        |
|---|------------------------|------------------------|
| Retirement Age (Years)                                | 60                     | 60                     |
| Mortality rates inclusive of provision for disability | 100% of IALM (2012-14) | 100% of IALM (2012-14) |

| Attrition at Ages   | Withdrawal Rate | Withdrawal Rate |
|---------------------|-----------------|-----------------|
| Up to 30 Years      | 3.00%           | 3.00%           |
| From 31 to 44 years | 2.00%           | 2.00%           |
| Above 44 years      | 1.00%           | 1.00%           |

Balance Sheet and related analysis

| Particulars                                   | (Rupees in Lakhs) |                 |
|---|-------------------|-----------------|
|   | 31st March 2022   | 31st March 2021 |
| Present Value of the obligation at end        | 143.15            | 140.68          |
| Fair value of plan assets                     | 214.13            | 187.27          |
| Unfunded Liability/provision in Balance Sheet | 70.98             | 46.61           |

The amounts recognized in the Income statement

| Particulars  | 31st March 2022 | 31st March 2021 |
|--|-----------------|-----------------|
| Total Service Cost                                 | 16.51           | 15.51           |
| Interest Cost                                      | (3.17)          | (1.43)          |
| <b>Expenses recognized in the Income Statement</b> | <b>13.34</b>    | <b>14.08</b>    |





| Other Comprehensive Income (OCI)                              |         |         |
|---|---------|---------|
| Net cumulative unrecognized actuarial gain/(loss) opening     | -       | -       |
| Actuarial gain / (loss) for the year on PBO                   | 23.58   | 16.65   |
| Actuarial gain/(loss) for the year on Asset                   | 0.13    | 0.12    |
| Unrecognized actuarial gain/(loss) at the end of the year     | 23.71   | 16.77   |
| <b>Change in Net Defined Benefit Obligation</b>               |         |         |
| Net defined benefit liability at the start of the period      | (46.61) | (21.01) |
| Acquisition adjustment  | -       | -       |
| Total Service Cost  | 16.51   | 15.51   |
| Net Interest cost (Income)                                    | (3.17)  | (1.43)  |
| Re-measurements   | (23.71) | (16.77) |
| Contribution paid to the Fund                                 | (14.00) | (22.91) |
| Benefit paid directly by the enterprise                       | -       | -       |
| Net defined benefit liability at the end of the period        | (70.98) | (46.61) |
| <b>Sensitivity Analysis of the defined benefit obligation</b> |         |         |
| <b>a) Impact of the change in discount rate</b>               |         |         |
| <u>Present Value of Obligation at the end of the period</u>   |         |         |
|   | 143.15  | 140.58  |
| Impact due to increase of 0.50%                               | (6.86)  | (7.24)  |
| Impact due to decrease of 0.50 %                              | 7.45    | 7.87    |
| <b>Impact of the change in salary increase</b>                |         |         |
| <u>Present Value of Obligation at the end of the period</u>   |         |         |
|   | 143.15  | 140.58  |
| Impact due to increase of 0.50%                               | 6.59    | 7.90    |
| Impact due to decrease of 0.50 %                              | (6.09)  | (7.33)  |

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

**Note 39. Investment Properties**

**(i) Lease Arrangements**

The Group has various premises under operating lease arrangements. These are cancellable and range between 11 months to 5 years which are renewable by mutual consent on mutually agreeable terms. The Group has taken interest free security deposit under certain agreements.

**(ii) Amount recognised in profit or loss for investment properties**

|                                   |        |        |
|-----------------------------------|--------|--------|
| Rental Income                     | 280.14 | 377.74 |
| Depreciation                      | 44.36  | 30.52  |
| Rental Expenses                   | 0.58   | 0.54   |
| Profit from investment properties | 235.11 | 346.28 |

**(iii) Estimation of fair value**

The Company has two properties that have been considered as Building under investment properties. The fair value of the leased properties is estimated at Rs. 5539 lakhs. The fair valuation is based on valuation report by the approved valuers.

(iv) Immovable Property held for rental income and capital appreciation classified as investment property as per Ind AS 40.

**Note 40. Intangible Assets under development**

**Intangible assets under development ageing as on 31st Mar 2022**

(Rupees in Lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |          |          |                  | Total |
|-------------------------------------|---|----------|----------|------------------|-------|
|                                     | Less than 1 year  | 1-2 year | 2-3 Year | More than 3 Year |       |
| Projects in progress                | -   | -        | -        | -                | -     |
| Total                               | -   | -        | -        | -                | -     |

**Intangible assets under development ageing as on 31st Mar 2021**

(Rupees in Lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |          |          |                  | Total |
|-------------------------------------|---|----------|----------|------------------|-------|
|                                     | Less than 1 year  | 1-2 year | 2-3 Year | More than 3 Year |       |
| Projects in progress                | -   | 16.66    | -        | -                | 16.66 |
| Total                               | -   | 16.66    | -        | -                | 16.66 |

**Note 41. Loans and Advances etc.**

Balances in Loans and advances, Receivables / Recoverable, Advance from Customers, Sundry Creditors and Sundry Debtors etc. are subject to reconciliation, confirmation and consequential adjustments, if any.

In the opinion of the management, the value of Current Assets, Loans and Advances, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet, except unless stated otherwise. The Provision for all known Liability is adequate and not in excess of the amount considered reasonably necessary.

**Note 42 Loans and Advances - Repayable on Demand**

Loans or Advances in the nature of loans have been granted to the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment are as follows

(Rupees in Lakhs)

| Type of Borrower                     | 31st March 2022   |   | 31st March 2021   |   |
|--------------------------------------|---|---|---|---|
|                                      | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Related Parties (Gross)              | 2,038.52  |   | 2,321.88  |   |
| Less: Provision for doubtful advance | (399.45)  |   | -   |   |
| Related Parties (Net)                | 1,639.07  | 13.58%  | 2,321.88  | 26.97%  |
| Promoters                            | -   | -   | -   | -   |
| Directors                            | -   | -   | -   | -   |
| KMPs                                 | -   | -   | -   | -   |
| Total                                | 1,639.07  | 13.58%  | 2,321.88  | 26.97%  |



**Note 43. Borrowing from Banks**

Credit Facilities are secured as under:

The facilities are secured by the first charge on pari passu basis with all banks in Consortium on stocks in trade and the entire current assets including goods in transit and Book Debts & Receivables. Further the loans are collateralized by the guarantees of promoter directors/group concern and some additional properties owned by the company/directors' relatives/group concerns. In respect of Buyer's Credit, Indian Bankers have given guarantee to foreign banks.

The Company has borrowings from banks or financial institutions on the basis of security of current assets, the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account.

| Name of the Bank    | Limit         |                |               | Charge Amount |
|---------------------|---------------|----------------|---------------|---------------|
|                     | Fund Based    | Non Fund Based | Total         |               |
| State Bank of India | 65.00         | 225.00         | 290.00        | 613.80        |
| HDFC                | 25.00         | 94.80          | 119.80        |               |
| PNB                 | 20.00         | 40.00          | 60.00         |               |
| AXIS                | 15.00         | 79.00          | 94.00         |               |
| KOTAK               | 5.00          | 45.00          | 50.00         |               |
| <b>TOTAL</b>        | <b>130.00</b> | <b>483.80</b>  | <b>613.80</b> |               |

| ADDITIONAL CHARGE |            |                |               |               |
|-------------------|------------|----------------|---------------|---------------|
| Name of the Bank  | Limit      |                |               | Charge Amount |
|                   | Fund Based | Non Fund Based | Total         |               |
| AXIS              | -          | 56.00          | 56.00         | 56.00         |
| ICICI             | -          | 60.00          | 60.00         | 120.00        |
| KOTAK             | -          | 40.00          | 40.00         | 40.00         |
| <b>TOTAL</b>      | <b>-</b>   | <b>156.00</b>  | <b>156.00</b> | <b>216.00</b> |

**Note 44. Commitments, Contingent Liabilities and Contingent Assets**

44.1 Capital Commitments - As at 31st March, 2022 Rs. Nil and 31st March, 2021 Rs Nil

**44.2 Contingent Liabilities & Contingent Asset**

i) Contingent Liabilities and Contingent Assets, as defined in Ind AS 37 on "Provisions on Contingent Liabilities and Contingent Assets", are disclosed below. Provision is made, if it becomes probable that an outflow of future economic benefits will be required for the item previously dealt with as Contingent Liability.

| Particulars     | (Rupees in Lakhs)     |                       |
|-----------------|-----------------------|-----------------------|
|                 | As at 31st March 2022 | As at 31st March 2021 |
| Bank Guarantees | 250.00                | -                     |

ii) It is not practical of the company to estimate the timing of cash outflow if any in respect of above stated contingent liabilities.

iii) Company does not expect any reimbursement from third party in respect of these contingent liabilities.

**Note 45. Break Up of Auditors Remuneration**

| Particulars                   | (Rupees in Lakhs) |                 |
|-------------------------------|-------------------|-----------------|
|                               | 31st March 2022   | 31st March 2021 |
| Payment to Statutory Auditors |                   |                 |
| -Audit Fee                    | 6.00              | 6.25            |
| -Certification Work           | 1.30              | 1.00            |
| Payment to Tax Auditors       | 0.50              | 0.50            |
| Payment to Cost Auditors      | 2.00              | 1.50            |
| Payment to Internal Auditors  | 4.00              | 3.00            |
|                               | <b>15.80</b>      | <b>12.25</b>    |

**Note 46. Detail of Unhedged Foreign currency exposures are as under:**

| Particulars                        | (Rupees in Lakhs)     |                       |
|------------------------------------|-----------------------|-----------------------|
|                                    | As at 31st March 2022 | As at 31st March 2021 |
| Un-hedged Foreign Currency Payable | 54,545.41             | 44,031.52             |

Note 47. No amounts are due for deposits at the Balance Sheet date to the Investor Education and Protection Fund.

**Note 48. MSME Disclosure**

The company has not received confirmations from many suppliers regarding their status of registration under Micro, Small and Medium Enterprises Development Act, 2006 and as such, it is presumed that they are not registered under the Act. In case of supplier who have confirmed their MSME status following information is disclosed as per the Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :

| Particulars                                     | (Rupees in Lakhs)     |                       |
|---|-----------------------|-----------------------|
|   | As at 31st March 2022 | As at 31st March 2021 |
| Principal Unpaid as at 31st March, 2022         | 49.52                 | 47.95                 |
| Interest accrued thereon and unpaid             | NIL                   | NIL                   |
| Total amount outstanding as at 31st March, 2022 | 49.52                 | 47.95                 |

ii) The amount of interest paid by the buyer in terms of section 16, alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year;

|   |     |     |
|---|-----|-----|
| Principal paid beyond appointed day during the year | NIL | NIL |
| Interest paid during the year                       | NIL | NIL |

iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;

|   |     |     |
|---|-----|-----|
| Interest due and payable as at 31st March, 2022 | NIL | NIL |
|---|-----|-----|

iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; Interest due and payable for the year ended 31st March, 2022

|     |     |
|-----|-----|
| NIL | NIL |
|-----|-----|

v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23 - NIL.





Note 49. Trade Payable Ageing

For trade payable outstanding as on 31st March 2022, following ageing schedule shall be given:

| Particular           | Outstanding for following periods from due date |          |          |                  | (Rupees in Lakhs) |
|----------------------|---|----------|----------|------------------|-------------------|
|                      | Less than 1 Year                                | 1-2 year | 2-3 Year | More than 3 Year |                   |
| MSME                 | 49.52   | -        | -        | -                | 49.52             |
| Others               | 53432.83  | 3427.94  | -        | -                | 56860.87          |
| Disputed dues MSME   | -   | -        | -        | -                | -                 |
| Disputed dues Others | -   | -        | -        | -                | -                 |

For trade payable outstanding as on 31st March 2021, following ageing schedule shall be given:

| Particular           | Outstanding for following periods from due date |          |          |                  | (Rupees in Lakhs) |
|----------------------|---|----------|----------|------------------|-------------------|
|                      | Less than 1 Year                                | 1-2 year | 2-3 Year | More than 3 Year |                   |
| MSME                 | 47.95   | -        | -        | -                | 47.95             |
| Others               | 41523.17  | 3318.37  | 0.21     | -                | 44841.75          |
| Disputed dues MSME   | -   | -        | -        | -                | -                 |
| Disputed dues Others | -   | -        | -        | -                | -                 |

Note 50. Other Notes

a) Value of Imports calculated on CIF Basis

| Particulars           | (Rupees in Lakhs) |                 |
|-----------------------|-------------------|-----------------|
|                       | 31st March 2022   | 31st March 2021 |
| Materials (Chemicals) | 2,28,673.17       | 1,42,963.40     |

b) Expenditure in Foreign Currency during the Year

| Particulars                | (Rupees in Lakhs) |                 |
|----------------------------|-------------------|-----------------|
|                            | 31st March 2022   | 31st March 2021 |
| Interest on LC financed    | 15.31             | 68.28           |
| Travelling & Tour          | 34.46             | 23.60           |
| Business Promotion         | 4.78              | -               |
| Membership & Subscriptions | 14.89             | 6.50            |

c) Value of Raw Materials and Stores and Spares consumed during the Year Ended

| Raw Materials Imported | (Rupees in Lakhs) |                 | Percentage %    |                 |
|------------------------|-------------------|-----------------|-----------------|-----------------|
|                        | 31st March 2022   | 31st March 2021 | 31st March 2022 | 31st March 2021 |
| Imported               | 2,734.74          | 2,201.27        | 26.00%          | 29.60%          |
| Indigenous             | -                 | -               | -               | -               |
| Total                  | 7,782.28          | 5,235.09        | 74.00%          | 70.40%          |
| Stores & Spares        | 10,517.02         | 7,436.35        | 100.00%         | 100.00%         |
| Indigenous             | -                 | -               | -               | -               |
| Total                  | 1.59              | 1.42            | 100.00%         | 100.00%         |
| Total                  | 1.59              | 1.42            | 100.00%         | 100.00%         |

d) Earning in Foreign Exchange

| Particulars                                | (Rupees in Lakhs) |                 |
|--|-------------------|-----------------|
|  | 31st March 2022   | 31st March 2021 |
| Export of Goods calculated on F.O.B. basis | 1,003.09          | 2,156.23        |

Note 51. Corporate Social Responsibility (CSR)

a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs.252.53 Lakhs (Previous Year Rs.134.60 Lakhs)

b) Expenditure related to Corporate Social Responsibility is Rs.254.33 lakhs (Previous Year Rs.207.50 Lakhs)

| Particulars   | (Rupees in Lakhs) |                 |
|---|-------------------|-----------------|
|   | 31st March 2022   | 31st March 2021 |
| A. Amount required to be spent during the year  |                   |                 |
| (i) Gross amount (2% of average net profit as per Section 135 of Companies Act, 2013) | 252.53            | 134.60          |
| (ii) Set off available from previous year   | 0.58              | -72.32          |
| (iii) Total CSR obligation for the year [(i)-(ii)]                                    | 251.95            | 206.92          |
| B. Amount approved by the Board to be spent during the year                           | 254.33            | 207.50          |
| C. Amount spent during the year on:   |                   |                 |
| a) Construction/acquisition of any asset  | -                 | -               |
| b) On purposes other than (a) above   | 172.40            | 0.00            |
| Total   | 81.93             | 207.50          |
| D. Set off available for succeeding years   | 254.33            | 207.50          |
| E. Amount unspent during the year   | 2.38              | 0.58            |

Specify the reason(s), if the company has failed to spend the two percent of the average net profit as per section 135(5) Not Applicable

Details of Related party Transaction

| Sl.No. | Name of the Company            | Nature of transaction by the Company | (Rupees in Lakhs) |                 |
|--------|--------------------------------|--------------------------------------|-------------------|-----------------|
|        |                                |                                      | 31st March 2022   | 31st March 2021 |
| 1      | KLJ Developers Private Limited | Payment made for acquisition of land | 64.00             | -               |

Detail of Amount spent towards CSR given below:

| Particulars                                    | (Rupees in Lakhs) |                 |
|--|-------------------|-----------------|
|  | 31st March 2022   | 31st March 2021 |
| Health (Construction/acquisition of assets)    | 172.40            | -               |
| Health, Education & Skill Development Activity | 81.93             | 207.50          |
| Total  | 254.33            | 207.50          |





**Note 52. Financial Ratios**

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations:

| Sl. No. | Ratio Type                       | Numerator   | Denominator  | Unit       | 2021-22 | 2020-21  | Variation (In %) | Explanation for changes   |
|---------|----------------------------------|---|--|------------|---------|----------|------------------|---|
| 1       | Current Ratio                    | Current Assets  | Current Liabilities  | Times      | 2.03    | 1.94     | 4.64%            |   |
| 2       | Debt-equity ratio                | Debt  | Equity   | Times      | 0.09    | 0.19     | -52.22%          | Debt Equity Ratio has decreased mainly on account of repayment of borrowings during the year. Further total equity has increased due to high internal accruals during the year. |
| 3       | Debt service coverage ratio      | Net Profit before tax+Depreciation +Interest on long term loans | Total amount of interest & principal of long term loan payable or paid during the year | Times      | 636.20  | 1,341.23 | -52.57%          | The debt service coverage ratio has decreased during current year as compared to previous year mainly on account of repayment of debt   |
| 4       | Return on equity ratio           | Net Profit after taxes  | Average Equity Shareholder funds   | Percentage | 24.11%  | 37.30%   | -35.36%          | The return on equity has decreased mainly on account of decline in net profit margin  |
| 5       | Inventory turnover ratio         | Sales   | Average Inventory  | Times      | 5.80    | 4.91     | 18.08%           |   |
| 6       | Trade receivables turnover ratio | Net Credit Sales  | Average Accounts Receivables   | Times      | 5.93    | 5.14     | 15.48%           |   |
| 7       | Trade payables turnover ratio    | Net Credit Purchases  | Average Accounts Payables  | Times      | 5.54    | 5.40     | 2.67%            |   |
| 8       | Net capital turnover ratio       | Sales   | Working Capital  | Times      | 4.49    | 3.68     | 21.99%           |   |
| 9       | Net profit ratio                 | Net Profit after taxes  | Sales  | Percentage | 5.42%   | 9.41%    | -42.41%          | The return on equity has decreased mainly on account of decline in net profit margin  |
| 10      | Return on capital employed       | Earning before Interest & Tax                                   | Capital Employed   | Percentage | 26.43%  | 35.00%   | -24.47%          |   |
| 11      | Return on investment             | Return/ Profit/ Earnings  | Weighted Average Investment  | Percentage | 5.31%   | 29.18%   | -81.80%          | The return on Investment has decreased mainly on account of decline in Profit margin in Investment  |





K L J Resources Limited

Regd. Office: 8 Camac Street Kolkata-700017

Note 53. Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

1 Enterprises where control exists:-

Subsidiaries:

Altamonte Townships and Resorts Pvt. Ltd.  
Brokenhills Townships and Resorts Pvt. Ltd.  
Springdale Townships and Resorts Pvt. Ltd.  
Valley View Townships Pvt. Ltd.  
KLJ Resources DMCC  
AK Buildtech Pvt. Ltd.  
Sadhok Real Estate Pvt. Ltd.  
KLJ Speciality Chemicals Pvt Limited  
KLJ Resources PTE Limited (Subsidiary of KLJ Resources DMCC)

2 Other related parties with whom the company had transactions:-

a) Associates:

Hamlog Plastic Goods Pvt. Ltd.  
KLJ Organic (Thailand) Ltd. (Associate of KLJ Resources DMCC)

b) Others (Group Concern):

KLJ Plasticizers Limited.  
KLJ Organic Ltd.  
Prithvi Sound Products Co. Pvt Ltd.  
KLJ Polymers & Chemicals Ltd.  
HH Buildtech Pvt. Ltd.  
Inspiration Dealers Pvt. Ltd.  
Hamlog Traders Pvt. Ltd.  
KLJ Developers Private Limited  
D M Realty Developers Pvt. Ltd.  
High Eximpetro Pvt. Ltd.

c) Key Management Personnel:

|                          |                         |
|--------------------------|-------------------------|
| Sh. Hemant Jain          | Managing Director       |
| Sh. Ajai Kumar Gupta     | Company Secretary       |
| Sh. Suresh Chand Jalther | Chief Financial Officer |
| Sh. Dilip Kumar Kam      | Director                |
| Sh. Ram Prakash Maken    | Director                |
| Sh. Ranjeet Ray Banthia  | Director                |
| Ms. Kaipana Seth         | Director                |

d) Relatives of Key Management Personnel:

|                |                                    |
|----------------|------------------------------------|
| Ms. Neetu Jain | Sr. Manager (Business Development) |
|----------------|------------------------------------|







**K L J Resources Limited**  
Regd. Office: 8 Camac Street Kolkata-700017

| Note 53. Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended): |  |  |  |   |   |
|---|--|--|--|---|---|
| S.No.   | Nature of Transaction                      | Name of Related Parties  | Relationship   | 31st March, 2022                            | 31st March, 2021                        |
| a) Transactions during the year   |  |  |  |   | (Rupees in Lakhs)                       |
| 1   | Purchases                                  | KLJ Plasticizers Limited.<br>High Eximpetro Pvt. Ltd.<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern<br>Group Concern  | 3,153.15<br>5,370.44<br>8,309.37            | 1,014.27<br>5,802.88<br>1,285.04        |
|   |  |  |  | 16,832.96                                   | 3,088.22                                |
| 2   | Sales                                      | KLJ Plasticizers Limited.<br>High Eximpetro Pvt. Ltd.<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern<br>Group Concern  | 2,162.91<br>1,915.39<br>6,170.03            | 1,909.81<br>-<br>6,066.99               |
|   |  |  |  | 10,268.33                                   | 7,976.80                                |
| 3   | Rent Paid                                  | KLJ Polymers & Chemicals Ltd.<br>KLJ Plasticizers Limited.<br>Sadhok Real Estate Pvt. Ltd.<br>HH Buildtech Pvt. Ltd.<br>Inspiration Dealers Pvt. Ltd.  | Group Concern<br>Group Concern<br>Wholly Owned Subsidiary<br>Group Concern<br>Group Concern  | 8.50<br>14.16<br>266.04<br>1.42<br>-        | 8.50<br>14.16<br>266.04<br>1.42<br>5.31 |
|   |  |  |  | 290.11                                      | 298.42                                  |
| 4   | Rent Received                              | KLJ Developers Private Limited<br>KLJ Organic Ltd.   | Group Concern<br>Group Concern   | -<br>-                                      | 19.81<br>94.86                          |
|   |  |  |  | -   | 114.67                                  |
| 5   | Maintenance Paid                           | D M Realty Developers Pvt. Ltd.<br>Sadhok Real Estate Pvt. Ltd.  | Group Concern<br>Wholly Owned Subsidiary   | -<br>10.72                                  | 5.89<br>10.31                           |
|   |  |  |  | 10.72                                       | 16.20                                   |
| 6   | Reimb. of Exp. Paid                        | KLJ Organic Ltd.<br>High Eximpetro Pvt. Ltd.<br>KLJ Plasticizers Limited.  | Group Concern<br>Group Concern<br>Group Concern  | 26.01<br>5.08<br>0.79                       | 2.42<br>201.41<br>-                     |
|   |  |  |  | 31.88                                       | 263.83                                  |
| 7   | Reimb. of Exp. Recd                        | KLJ Organic Ltd.<br>KLJ Plasticizers Limited.  | Group Concern<br>Group Concern   | 58.45<br>18.75                              | 44.84<br>27.11                          |
|   |  |  |  | 77.20                                       | 71.95                                   |
| 8   | Interest Paid                              | Sh. Hemant Jain<br>D M Realty Developers Pvt. Ltd.   | Managing Director<br>Group Concern   | 10.47<br>4.22                               | 31.53<br>-                              |
|   |  |  |  | 14.69                                       | 31.53                                   |
| 9   | Interest Received                          | A K Buildtech Pvt. Ltd.<br>Sadhok Real Estate Pvt. Ltd.<br>Altamonte Townships And Resorts Pvt. Ltd.<br>Brokenhills Townships And Resorts Pvt Ltd<br>Springdale Townships And Resorts Pvt Ltd<br>Valley View Townships Pvt Ltd | Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary | -<br>102.34<br>0.07<br>0.07<br>0.07<br>0.07 | 124.11<br>45.05<br>-<br>-<br>-<br>-     |
|   |  |  |  | 102.61                                      | 169.98                                  |
| 10  | CSR Expenditure                            | KLJ Developers Private Limited   | Group Concern  | 64.00<br>64.00                              | -<br>-                                  |
|   |  |  |  | 64.00                                       | -                                       |
| 11  | Remuneration<br>(Key Managerial Personnel) | Sh. Hemant Jain<br>Sh. Suresh Chand Jaitter<br>Sh. Ajai Kumar Gupta<br>Ms Neetu Jain   | Managing Director<br>Chief Financial Officer<br>Company Secretary<br>Sr. Manager ( Business Development)   | 2,723.45<br>26.86<br>13.88<br>20.00         | 818.21<br>21.44<br>13.46<br>19.99       |
|   |  |  |  | 2,784.19                                    | 873.11                                  |





K L J Resources Limited

Regd. Office: 8 Camac Street Kolkata-700017

Note 53. Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

|    |                                |  |  |  | (Rupees in Lakhs)                   |  |
|----|--------------------------------|--|--|--|-------------------------------------|--|
| 12 | Director Sitting Fees          | Sh. Dilip Kumar Kam<br>Sh Ram Prakash Mekan<br>Sh. Ranjeet Ray Benthia<br>Ms Kalpana Seth  | Director<br>Director<br>Director<br>Director   | 0.32<br>0.80<br>0.80<br>0.32                     | 0.74<br>0.35<br>0.35<br>0.24        |  |
|    |                                |  |  | 2.24   | 1.18                                |  |
| 13 | Loans & Advances Given         | A K Buildtech Pvt. Ltd.<br>Sadhok Real Estate Pvt. Ltd.<br>Altamonte Townships And Resorts Pvt. Ltd.<br>Brokenhills Townships And Resorts Pvt Ltd<br>Springdale Townships And Resorts Pvt Ltd<br>Valley View Townships Pvt Ltd | Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary | 9.31<br>1,152.51<br>2.00<br>2.00<br>2.00<br>2.00 | 33.14<br>498.50<br>-<br>-<br>-<br>- |  |
|    |                                |  |  | 1,166.82   | 531.94                              |  |
| 14 | Loans & Advances Received back | A K Buildtech Pvt. Ltd.<br>Sadhok Real Estate Pvt. Ltd.  | Wholly Owned Subsidiary<br>Wholly Owned Subsidiary   | 1,018.00<br>129.00                               | 585.00<br>-                         |  |
|    |                                |  |  | 1,147.00   | 585.00                              |  |
| 15 | Unsecured Loan Taken           | Sh.Hemant Jain<br>D M Realty Developers Pvt. Ltd.  | Managing Director<br>Group Concern   | 435.00<br>175.00                                 | 679.00<br>-                         |  |
|    |                                |  |  | 610.00   | 679.00                              |  |
| 16 | Unsecured Loan Repaid          | Sh.Hemant Jain   | Managing Director  | 540.50   | 1,080.00                            |  |
|    |                                |  |  | 540.50   | 1,080.00                            |  |

| S.No. | Nature of Transaction                            | Name of Related Parties  | Relationship   | 31st March, 2022                                   | 31st March, 2021                       |                   |
|-------|--|--|--|--|--|-------------------|
|       |  |  |  |  |  | (Rupees in Lakhs) |
| b)    | <u>Outstanding Balance as at 31st March 2022</u> |  |  |  |  |                   |
| 1     | Unsecured Loans Taken                            | Sh.Hemant Jain<br>D M Realty Developers Pvt. Ltd.  | Managing Director<br>Group Concern   | 135.37<br>128.79                                   | 231.44<br>-                            |                   |
|       |  |  |  | 264.16   | 231.44                                 |                   |
| 2     | Loans & Advances Given                           | A K Buildtech Pvt. Ltd.<br>Sadhok Real Estate Pvt. Ltd.<br>Altamonte Townships And Resorts Pvt. Ltd.<br>Brokenhills Townships And Resorts Pvt Ltd<br>Springdale Townships And Resorts Pvt Ltd<br>Valley View Townships Pvt Ltd | Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary<br>Wholly Owned Subsidiary | 399.45<br>2,030.25<br>2.07<br>2.07<br>2.07<br>2.07 | 1,408.14<br>913.74<br>-<br>-<br>-<br>- |                   |
|       |  |  |  | 2,437.87   | 2,321.88                               |                   |
| 3     | Trade Payables                                   | KLJ Plasticizers Limited,<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern   | 194.56<br>71.11                                    | 279.17<br>-                            |                   |
|       |  |  |  | 265.67   | 279.17                                 |                   |
| 4     | Trade Receivables                                | KLJ Plasticizers Limited,<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern   | 438.70<br>1,602.01                                 | 693.87<br>662.58                       |                   |
|       |  |  |  | 2,040.71   | 1,356.45                               |                   |
| 6     | Rent Payable                                     | Sadhok Real Estate Pvt. Ltd.<br>KLJ Polymers & Chemicals Ltd.  | Wholly Owned Subsidiary<br>Group Concern   | 0.81<br>-  | 1.59<br>0.66                           |                   |
|       |  |  |  | 0.81   | 2.26                                   |                   |
| 7     | Security deposit                                 | Sadhok Real Estate Pvt. Ltd.   | Wholly Owned Subsidiary  | 244.07   | 244.07                                 |                   |
|       |  |  |  | 244.07   | 244.07                                 |                   |
| 8     | Remuneration<br>(Key Managerial Personnel)       | Sh. Hemant Jain<br>Sh.Suresh Chand Jalther<br>Sh. Ajai Kumar Gupta<br>Ms Neetu Jain  | Managing Director<br>Chief Financial Officer<br>Company Secretary<br>Sr.Manager ( Business Development)  | 2,550.82<br>2.34<br>1.81<br>4.69                   | 703.82<br>2.01<br>1.67<br>4.28         |                   |
|       |  |  |  | 2,559.66   | 711.72                                 |                   |





Note 54. Capital management

(Rupees in Lakhs)

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through optimization of the debt and equity balance. The capital structure of the company comprises of debt and total equity of the company.

Debt Equity Ratio

(Rupees in Lakhs)

| Particulars                  | As at 31st March |                  |
|------------------------------|------------------|------------------|
|                              | 2022             | 2021             |
| Borrowing (Note No. 17 & 21) | 7,441.55         | 12,130.35        |
| <b>Short term debt</b>       | <b>7,441.55</b>  | <b>12,130.35</b> |
| Equity (Note No.15)          | 1,074.00         | 1,074.00         |
| Other equity (Note No.16)    | 60,430.50        | 62,450.32        |
| <b>Total equity</b>          | <b>61,504.50</b> | <b>63,524.32</b> |
| <b>Debt equity Ratio</b>     | <b>0/11</b>      | <b>17/39</b>     |

Note 55. Fair Value measurements  
(i) Financial Instruments by Category

(Rupees in Lakhs)

| Particulars                        | As at 31st March, 2022 |                  |                  | As at 31st March, 2021 |                 |                  |
|------------------------------------|------------------------|------------------|------------------|------------------------|-----------------|------------------|
|                                    | FVTPL                  | FVTOCI           | Amortised Cost   | FVTPL                  | FVTOCI          | Amortised Cost   |
| <b>Financial Assets</b>            |                        |                  |                  |                        |                 |                  |
| Investment                         | -                      | 10,673.07        | 1,482.15         | -                      | 3,683.19        | 1,249.82         |
| Trade Receivables                  | -                      | -                | 63,838.71        | -                      | -               | 44,924.80        |
| Loans                              | -                      | -                | 12,979.72        | -                      | -               | 8,607.82         |
| Cash and Cash Equivalents          | -                      | -                | 11.93            | -                      | -               | 25.50            |
| Bank Balances                      | -                      | -                | 3,880.75         | -                      | -               | 5,027.77         |
| Others                             | -                      | -                | 496.77           | -                      | -               | 458.03           |
| <b>Total Financial Assets</b>      | <b>-</b>               | <b>10,673.07</b> | <b>81,880.73</b> | <b>-</b>               | <b>3,683.19</b> | <b>60,293.53</b> |
| <b>Financial Liabilities</b>       |                        |                  |                  |                        |                 |                  |
| Borrowings                         | -                      | -                | 7,415.04         | -                      | -               | 12,104.70        |
| Trade Payables                     | -                      | -                | 56,910.39        | -                      | -               | 44,809.70        |
| Lease liabilities                  | -                      | -                | 1,389.77         | -                      | -               | 1,570.12         |
| Others                             | -                      | -                | 754.33           | -                      | -               | 6.36             |
| <b>Total Financial Liabilities</b> | <b>-</b>               | <b>-</b>         | <b>66,169.53</b> | <b>-</b>               | <b>-</b>        | <b>68,594.88</b> |

(i) The carrying amounts of trade receivables, trade payable, cash and cash equivalents and other short term receivables and payables which are due to be settled within 12 months are considered to be same as their fair values, due to short term nature.

(ii) Borrowings-Current are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount. As the amount is immaterial, no fair valuation is required.

(iii) Non Current Loans given and Security Deposit have been continued at carrying value as measurement implication are immaterial.

(iv) All investments other than subsidiary and associates are measured at fair value, with value changes recognized in Statement of Other Comprehensive Income. Investments in subsidiaries and associates have been carried at cost less impairment loss if any, through Other Comprehensive Income.

(ii) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (e.g. as prices) or indirectly (e.g. derived from prices)

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

The following table presents the fair value measurement hierarchy of financial assets measured at Fair Value :-

As at 31-03-2022

(Rupees in Lakhs)

| Particulars                                | As at 31-03-2022 |                 |          | Total            |
|--|------------------|-----------------|----------|------------------|
|  | Level 1          | Level 2         | Level 3  |                  |
| <b>Financial Assets</b>                    |                  |                 |          |                  |
| Financial Assets at Fair Value through OCI |                  |                 |          |                  |
| Investment                                 | 8,964.82         | 3,688.25        | -        | 10,673.07        |
|  | <b>8,964.82</b>  | <b>3,688.25</b> | <b>-</b> | <b>10,673.07</b> |

As at 31-03-2021

(Rupees in Lakhs)

| Particulars                                | As at 31-03-2021 |                 |          | Total           |
|--|------------------|-----------------|----------|-----------------|
|  | Level 1          | Level 2         | Level 3  |                 |
| <b>Financial Assets</b>                    |                  |                 |          |                 |
| Financial assets at Fair Value through OCI |                  |                 |          |                 |
| Investment                                 | 563.90           | 3,117.29        | -        | 3,683.19        |
|  | <b>563.90</b>    | <b>3,117.29</b> | <b>-</b> | <b>3,683.19</b> |

(iii) Valuation technique used to determine fair value

a) Quoted investments have been valued based on market price quotation.

b) Investment in Mutual Funds have been valued as per NAV declared on the balance sheet date.

c) Investments in unquoted equity instruments are not held for trading. They are held for long term strategic purpose. The company has chosen to designate these investments at FVOCI, since it provides a more meaningful presentation.

d) The carrying amount of financial assets and liabilities other than investment are considered to be the same as their fair values.

e) Managements uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realized or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) Financial risk management

The Company's principal financial liabilities comprise of Borrowings, Trade Payables and others. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include Trade Receivables, Loans, cash and cash equivalents and other bank balances that derive directly from its operations.

The Company's is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarized below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises interest rate risk and foreign currency risk.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. Company is not exposed to significant interest rate risk as all the financial instruments which are subject to interest risk are due to be settled within 12 months and carry fixed rate of interest.

ii) Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.





K L J Resources Limited  
Regd. Office: 8, Camac Street, Kolkata-700017

The following table shows foreign currency exposures in US Dollar, Euro, AED on financial instruments at the end of the reporting period. The exposure to all other foreign currencies are not material.

| Particulars    | Foreign Currency Exposure (Amount in Lakhs) |        |        |                        |        |        |
|----------------|---|--------|--------|------------------------|--------|--------|
|                | As at 31st March, 2022                      |        |        | As at 31st March, 2021 |        |        |
|                | EURO  | USD    | JPY    | EURO                   | USD    | JPY    |
| Borrowings     | -   | -      | -      | -                      | 81.78  | -      |
| Trade Payables | 34.04                                       | 675.09 | 655.01 | 34.04                  | 474.62 | 305.35 |
| Total          | 34.04                                       | 675.09 | 655.01 | 34.04                  | 556.40 | 305.35 |

**h) Credit risk**

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

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The guarantee on behalf of K L J Resources DMCC (Subsidiary) of Rs. 8338.78 (FY-Rs.4042.76)

The Company has used a practical expedient by way of computing the expected credit loss for trade receivables based on provision matrix. The matrix also takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and rates as given in the provision matrix.

The provision matrix at the year end is as follows.

| Particulars          | Expected Credit loss (Percentage) |          |
|----------------------|-----------------------------------|----------|
|                      | FY 21-22                          | FY 20-21 |
| Ageing               |                                   |          |
| 1-30 days            | 0.00%                             | 0.00%    |
| 30 days to 12 months | 0.22%                             | 0.22%    |
| More than 12 months  | 1.75%                             | 1.74%    |

| Particulars          | (Rupees in Lakhs)   |                      |                     |                      |
|----------------------|---------------------|----------------------|---------------------|----------------------|
|                      | As at 31st March 22 |                      | As at 31st March 21 |                      |
|                      | Receivables         | Expected Credit loss | Receivables         | Expected Credit loss |
| 1-30 days            | 61,272.67           | -                    | 40,902.03           | -                    |
| 30 days to 12 months | 1,706.77            | 4.00                 | 3,036.57            | 7.60                 |
| More than 12 months  | 875.28              | 15.00                | 1,011.10            | 18.00                |

Provision for expected credit loss made in accordance with Ind AS 109 due to which there is change in Trade Receivable.

**ii) Other Financial Assets**

Company makes loans and advances out of its surplus funds to Corporates. In the past 5 years there is only incidence where Bad Debts have been written off. The Writeoff happened in FY 17-18 and Company is of the view that this is one of incident and management is of view that bad debts are not bound to occur again. Accordingly there is no need to create a Expected Credit loss provision for such Financial Assets. The company has made adequate provisions towards doubtful advances in books of accounts and do not perceive any further credit risk in respect of loans and advances.

**iii) Financial Instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

**iv) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation. The company's principal sources of liquidity are cash and cash equivalents, cash flow that is generated from operations and the borrowings from Directors and Banks. The company believes that the working capital is sufficient to meet its current requirements. Any short term surplus cash generated, over and above the amount require for working capital management and operational requirements, are given as interest bearing loans repayable on demand.

As at 31st March 2022 the company had working capital of Rs. 72,724.97 Lakhs including cash and bank balances of Rs.3,902.38 Lakhs.

As at 31st March 2021 the company had working capital of Rs. 57,560.80 Lakhs including cash and bank balances of Rs.5,653.27 Lakhs.

**Note 56 Segment Reporting**

There is no reportable segment due to quantitative thresholds as per Ind AS 108.

**Note 57 Income Tax Expense**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

|  | Year ended 31st March, 2022 |  | Year ended 31st March, 2021 |  |
|--|-----------------------------|--|-----------------------------|--|
| Enacted income tax rate in India applicable to the Company                                 |                             |  |                             |  |
| Profit before tax  | 25,168%                     |  | 25,168%                     |  |
| Current tax expenses on Profit before tax expenses at the enacted income tax rate in India | 23,856.55                   |  | 20,746.21                   |  |
| Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income | 8,953.83                    |  | 8,731.49                    |  |
| Permanent Disallowances  |                             |  |                             |  |
| Deduction under section 24 of the Income Tax Act   | 448.30                      |  | 202.10                      |  |
| Interest income from Joint Venture on liability statement of compound financial instrument | (18.78)                     |  | (28.01)                     |  |
| Tax in respect of earlier years  | -                           |  | -                           |  |
| Income exempted from income taxes  | (226.84)                    |  | (32.82)                     |  |
| Differential tax rate on capital gains   | -                           |  | -                           |  |
| Other items  | 10.50                       |  | 83.96                       |  |
| Total income tax expense/(credit)  | 233.87                      |  | (216.94)                    |  |
| Consequent to reconciliation items shown above, the effective tax rate (in %) is           | 6,400.86                    |  | 6,738.73                    |  |
|  | 27.96                       |  | 25.30                       |  |

**Note 58. Disclosure pursuant to section 186(4) of the Companies Act 2013**

| Nature of the transaction (loans given/investment made/guarantee given/security provided) & Purpose | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| <b>(A) Loan and Advances: (Given for Business purpose)</b>  |                        |                        |
| 1. AK Buldtech Pvt. Ltd.  |                        |                        |
| 2. Bhadani Finances Pvt. Ltd.   | 399.45                 | 1,408.14               |
| 3. Headstart International Pvt. Ltd.  | 8,930.95               | 5,186.34               |
| 4. Manaberie Tea Co Limited   | 144.39                 | 144.39                 |
| 5. Sadrook Real Estate Pvt. Ltd.  | 236.79                 | 236.79                 |
| 6. Jagbir Singh Ahlawat   | 2,070.26               | 913.74                 |
| 7. Altamonte Townships And Resorts Pvt. Ltd.  | -                      | 524.00                 |
| 8. Brokenhills Townships And Resorts Pvt Ltd  | 2.07                   | -                      |
| 9. Springdale Townships And Resorts Pvt Ltd   | 2.07                   | -                      |
| 10. Valley View Townships Pvt Ltd   | 2.07                   | -                      |
| 11. Victor Chemicals India Pvt Ltd  | 2.07                   | -                      |
| 12. Advance Chemicals   | 101.25                 | -                      |
| Total   | 12,851.35              | 8,407.82               |
| <b>(B) Guarantees: (Given for Subsidiary's debt)</b>  |                        |                        |
| K L J Resources DMCC  | 8,338.78               | 4,042.76               |
| Total   | 8,338.78               | 4,042.76               |

**Note 59. Disclosure pursuant to section 248 of the Companies Act 2013- Struck off the companies**

The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956





**K L J Resources Limited**  
Regd. Office: 8, Camac Street, Kolkata-700017

| Note 60. Leases                               | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| <b>i) Rights to use assets</b>                |                        |                        |
| <b>Particulars</b>                            |                        |                        |
| Opening ROU recognised (net)                  | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Add: Additions during the year                | 1,588.46               | 1,345.71               |
| Less: Depreciation during the year            | 283.13                 | 479.52                 |
| Closing ROU recognised                        | <b>1,545.71</b>        | <b>1,596.46</b>        |
| <b>ii) Lease Liability</b>                    |                        |                        |
| <b>Particulars</b>                            |                        |                        |
| Opening Lease Liability                       | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Add: Additions during the year                | 1,570.13               | 1,269.17               |
| Add: Interest Accrued during the year         | 274.49                 | 469.39                 |
| Less: Payment                                 | 182.98                 | 134.51                 |
| Closing Lease Liability                       | <b>408.62</b>          | <b>302.94</b>          |
| <b>Breakup:</b>                               | <b>1,698.78</b>        | <b>1,670.13</b>        |
| Current Maturity of long term lease liability | 296.39                 | 177.22                 |
| Non Current lease liability                   | 1,302.39               | 1,392.91               |
| <b>iii) Security Deposit Paid</b>             |                        |                        |
| <b>Particulars</b>                            |                        |                        |
| Opening Security Deposit                      | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Add: Additions during the year                | 158.41                 | 137.67                 |
| Add: Interest Income during the year          | (8.64)                 | (10.13)                |
| Add: Payment                                  | 18.00                  | 13.29                  |
| Closing Security Deposit                      | <b>24.68</b>           | <b>17.57</b>           |
|   | <b>190.44</b>          | <b>158.41</b>          |
| <b>iv) Cash Flow during the year</b>          |                        |                        |
| <b>Particulars</b>                            |                        |                        |
| Low value leases                              | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Short term leases                             | 30.24                  | 4.02                   |
|   | 30.35                  | 62.70                  |

**v) Extension and termination options**

The Company has lease contracts for which are used for regular operations of its business. There are several lease contracts that include extension and termination options which are further discussed below.

The Company has several lease contracts that include extension and termination options which are used for regular operations of its business. These options are negotiated by management to provide flexibility in managing the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

**vi) Critical judgements in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

**vii) Discount Rate**

Discount rate at which the lease liability is recognised as on the initial application is 10%.

**Note 61. Impact of COVID-19 pandemic**

**Impact of COVID-19 pandemic :** The spread of Covid-19 has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines and other emergency measures.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and investments as at the Balance sheet date, and based on the internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts, has concluded that no material adjustments are required to be made in the financial results.

In assessing the recoverability of receivables, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in expected credit loss and is of the view that there shall be no impact. The management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results.

However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.





**Note 62.** The previous years figures have been regrouped and reclassified, to the extent necessary, to conform to the current years figures.

**Note 63. Financial Viability**

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets and liabilities, and based on the internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts, has concluded that no adjustments are required to be made in the financial results. The management believes that it has considered all the possible impact of known events arising in the preparation of financial results. Further company is of the opinion that there is certainty that company will be able to meet its all-financial commitments due in next one year.

**Note 64. Representation relate to Fund Advance/ receive by the company on Ultimate Beneficiaries**

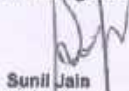
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.\*

**Note 65. Approval of financial statement**


The financial statements were approved for issue by the Board of Directors on 30th May 2022. The board of directors has recommended a dividend of Rs.0.25 per fully paid up equity share of Rs. 10/- each, aggregating to Rs.26.85 Lakhs, which is based on relevant share capital as on 31st March, 2022

**The accompanying notes to the standalone financial statements**


As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

  
Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022



  
Hemant Jain  
Managing Director  
Din: 00506995

For & on behalf of the Board of Directors

  
Dilip Kumar Karn  
Director  
Din: 00061804

  
Suresh Chand Jaitter  
Chief Financial Officer

  
Ajai Kumar Gupta  
Company Secretary



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KLJ RESOURCES LIMITED

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### 1. Opinion

We have audited the accompanying Consolidated Ind AS financial statements of KLJ RESOURCES LIMITED ("the Holding Company"), its subsidiaries ("the Holding Company and its subsidiaries together referred to as "the Group") and its associate (Refer Note No 51 of the attached consolidated Ind AS financial statements) comprising of the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss and Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, referred below in other matter paragraph, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian accounting standards (Ind AS), of the consolidated state of affairs of the Group and its associate as at 31st March, 2022, and their consolidated Profit and other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### 2. Basis for Opinion

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

#### 3. Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial



statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities section of our audit report including in relation to these matters. Our opinion is not modified in respect of this matter.

| S no. | Key Audit Matter   | Auditor's response   |
|-------|--|--|
| 1.    | In respect of parties' balances, confirmations were sought from all the parties at the year end. There are parties who have not sent the confirmations. It has been explained that management has the system of reconciling balances with the parties from time to time during the year. All the parties are having regular business transactions. | In the absence of external confirmations, we as auditors carried out alternative procedures to verify the balances: <ol style="list-style-type: none"> <li>i. We tested the effectiveness of controls over sale and purchase transactions with the parties and accounting of the same.</li> <li>ii. The transactions of sale/purchase were verified through external bills and invoices to/from the parties. The payments were cross verified from the bank statements of the company. In view of the high magnitude of such transactions we followed SA 530 "Audit Sampling" in this regard.</li> </ol> |
| 2.    | The physical verification of stock is carried out by the management during the year at various locations so as to cover all the locations during the year. Approved surveyors are also engaged for verification of inventory lying in the  | We have followed the following processes: <ol style="list-style-type: none"> <li>i. We carried out checking of the stock records to verify the stock. Keeping in view the magnitude of transactions, the same has been done as per sample selection basis in accordance with SA 530 "Sample Selection" of ICAI</li> <li>ii. The records of the physical</li> </ol>   |





|   |  |
|---|--|
| <p>bonded warehouse at the port.</p> <p>The inventory is situated at multiple locations and keeping in view the magnitude, nature and specifications of the inventory, technical expertise is required to physically verify the same.</p> | <p>verification of stock during the year were verified.</p> <p>iii. The report of physical verification as on 31.03.2022 from surveyors in respect of stock lying in the bonded warehouses has been produced for our verification.</p> <p>iv. Keeping in view the location, magnitude and nature of the inventory consisting of Chemicals in containers of voluminous size at the port, and other places, we were not technically competent to personally verify the stock physically and relied on approved surveyor's report.</p> <p>v. We also tallied the same with the regular stock records maintained by the company and produced for our verification.</p> |
|---|--|

**4. Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS financial statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associate and for preventing and detecting frauds and other irregularities; the 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.



In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

#### 5. Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associate to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are independent auditors

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore key audit matters. We describe these audit matters in our audit report unless law or regulation precludes public disclosure about the matters and when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 6. Other Matters

*We did not audit the financial statements/ Consolidated financial statements/financial information of three Indian subsidiaries and one foreign subsidiary (including its subsidiary and associate), whose financial statements/financial information reflect total assets of Rs.14217.46 lakhs as at 31<sup>st</sup> March, 2022, total revenue of Rs. 45897.35 lakhs and net cash inflows amounting to Rs. 5162.12 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit/(Loss) of Rs.206.68 lakhs for the year ended 31<sup>st</sup> March, 2022, as considered in the consolidated Ind AS financial statements in respect of 1 associate whose financial statements / financial information have not been audited by us. These financial statements/financial information of have been audited by other auditors whose reports have been furnished to*



us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our opinion on the Consolidated Ind AS financial statements, and our report on the legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

#### 7. Report on Other Legal and Regulatory Requirements

- I. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid Consolidated Ind AS financial statements.
  - b. In our opinion, proper books of account as required by law relating to consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash flow statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated Ind AS financial statements.
  - d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of Holding Company and the reports of auditors of its subsidiaries and associates incorporated in India, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the holding company, subsidiaries companies and associate incorporated in India. Our report expresses an unqualified opinion that the holding company, subsidiaries companies and associate which are companies incorporated in India, have in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting was operating effectively as at March 31, 2022.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The group and its associate does not have pending litigations hence, there is no impact on the consolidated financial position.
- ii. The group and its associate does not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary and associate.
- iv.
  - a. The respective Managements of the Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the Note No. 63 to the financial statements, 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 or any of such subsidiaries, associates and joint ventures 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b. The respective Managements of the Company and its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the note no. 63 to financial statements, no funds have been received by the Company or any of such subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, associates and joint ventures shall, 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.
  - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (a) and (b) of Clause (iv) above contain any material misstatement.
- II. Only the parent company has declared and paid dividend during the year and the same is in accordance with section 123 of the Act.
- III. As required by Section 197(16) of the Act, we report that in our opinion and according to the information and explanations given to us, the



holding Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 of the Act and in case of subsidiary companies and associate company based on audit reports of the respective statutory auditors, Companies have not paid/provided any managerial remuneration. In respect of managerial remuneration paid by foreign subsidiary, the provisions of section 197 of the Act are not applicable.

Place of signature: New Delhi  
Date: 30.05.2022



Kumar Chopra & Associates  
Chartered Accountants  
(FRN:000131N)

(Sunil Jain)

Partner (M. No 080990)  
UDIN: 22080990AJWZAH7462

**ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT**

Annexure to the Independent Auditors' Report referred to paragraph 6(f) of our report of even date on the Consolidated Ind AS financial statements of **KIJ RESOURCES LIMITED** for the Year ended 31st March, 2022

**Report on the Internal Financial Controls with reference to the consolidated financial statements under Section 143(3)(i) of the Companies Act, 2013 ("the Act")**

*Opinion*

In conjunction with our audit of consolidated financial statements of the **KIJ Resources LIMITED** ("the Holding Company"), as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary company, as of that date.

In our opinion, the Holding Company and its subsidiary company have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. (the "Guidance Note")

*Management's Responsibility for Internal Financial Controls*

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

*Auditors' Responsibility*

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.



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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in term of their reports referred to in other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls with reference to the consolidated financial statements.

*Meaning of Internal Financial Controls with reference to the consolidated financial statements*

A company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

*Inherent Limitations of Internal Financial Controls with reference to the consolidated financial statements*

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





Kumar Chopra & Associates  
Chartered Accountants

KLJ Resources Limited  
FY 2021-22

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For Kumar Chopra & Associates  
Chartered Accountants  
(Firm Registration Number: 000131N)

Place of signature: New Delhi  
Date: 30.05.2022

SUNIL JAIN  
Partner  
(M. No 80990)  
UDIN: 22080990AJWZAH7462





CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

(Rupees in Lakhs)

| Sl. No.                             | Particulars   | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|-------------------------------------|---|----------|-----------------------|-----------------------|
| <b>ASSETS</b>                       |   |          |                       |                       |
| 1                                   | <b>Non-current Assets</b>   |          |                       |                       |
|                                     | (a) Property, Plant and Equipment                                       | 2a       | 3,753.05              | 1,256.44              |
|                                     | (b) Right-of-use Assets   | 2b       | 641.97                | 610.64                |
|                                     | (c) Capital work-in-progress  | 2c       | -                     | -                     |
|                                     | (d) Investment Property   | 2d       | 3,385.01              | 4,233.82              |
|                                     | (e) Other Intangible assets   | 2e       | 1.89                  | 2.48                  |
|                                     | (f) Intangible assets under development                                 | 2f       | -                     | 16.66                 |
|                                     | (g) Goodwill  |          | -                     | 36.00                 |
|                                     | (h) Financial Assets  |          |                       |                       |
|                                     | (i) Investments   | 3        | 5,882.88              | 4,722.92              |
|                                     | (ii) Others   | 4        | 189.22                | 543.01                |
|                                     | (l) Deferred tax assets (Net)   | 5        | -                     | -                     |
|                                     | (j) Other non-current assets  | 6        | 214.13                | 187.27                |
| 2                                   | <b>Current Assets</b>   | 7        | 53,984.14             | 57,337.04             |
|                                     | (a) Inventories   |          |                       |                       |
|                                     | (b) Financial Assets  |          |                       |                       |
|                                     | (i) Investments   | 3        | 6,072.21              | -                     |
|                                     | (ii) Trade receivables  | 8        | 86,707.38             | 48,280.81             |
|                                     | (iii) Cash and cash equivalents   | 9        | 7,146.45              | 1,995.95              |
|                                     | (iv) Bank balances other than (ii) above                                | 10       | 3,980.75              | 5,027.77              |
|                                     | (v) Loans   | 11       | 10,032.20             | 6,285.94              |
|                                     | (vi) Other financial assets   | 12       | 223.65                | 187.99                |
|                                     | (c) Current Tax Assets (Net)  | 13       | -                     | -                     |
|                                     | (d) Other current assets  | 14       | 1,701.39              | 3,236.66              |
| <b>TOTAL ASSETS</b>                 |   |          | <b>1,63,917.32</b>    | <b>1,33,861.40</b>    |
| <b>EQUITY AND LIABILITIES</b>       |   |          |                       |                       |
| 1                                   | <b>Equity</b>   |          |                       |                       |
|                                     | (a) Equity Share capital  | 15       | 1,074.00              | 1,074.00              |
|                                     | (b) Other Equity  | 16       | 86,004.59             | 65,755.84             |
| 2                                   | <b>Liabilities</b>  |          |                       |                       |
|                                     | <b>Non-current Liabilities</b>  |          |                       |                       |
|                                     | (a) Financial Liabilities   |          |                       |                       |
|                                     | (i) Borrowings  | 17       | 73.42                 | 1,596.71              |
|                                     | (ia) Lease liabilities  | 18       | 515.98                | 464.99                |
|                                     | (b) Provisions  | 19       | 237.95                | 222.73                |
|                                     | (c) Deferred tax liabilities (Net)                                      | 5        | 538.86                | 362.19                |
|                                     | (d) Other non-current liabilities                                       | 20       | 70.82                 | 128.20                |
|                                     | <b>Current Liabilities</b>  |          |                       |                       |
|                                     | (a) Financial Liabilities   |          |                       |                       |
|                                     | (i) Borrowings  | 21       | 7,404.80              | 12,307.53             |
|                                     | (ia) Lease liabilities  | 22       | 154.87                | 49.12                 |
|                                     | (ii) Trade payables :   | 23       |                       |                       |
|                                     | a) dues of micro enterprises and small enterprises                      |          | 49.52                 | 47.95                 |
|                                     | b) dues of creditors other than micro enterprises and small enterprises |          | 60,379.71             | 45,692.01             |
|                                     | (iii) Other financial liabilities                                       | 24       | -                     | 0.36                  |
|                                     | (b) Other current liabilities   | 25       | 6,699.50              | 5,786.96              |
|                                     | (c) Provisions  | 26       | 22.43                 | 17.48                 |
|                                     | (d) Current Tax Liabilities (Net)                                       | 13       | 690.85                | 355.32                |
| <b>TOTAL EQUITY AND LIABILITIES</b> |   |          | <b>1,63,917.32</b>    | <b>1,33,861.40</b>    |

Significant Accounting Policies

The accompanying notes to the consolidated financial statements

2 to 64

As per our report of even date attached  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N



Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022

For & on behalf of the Board of Directors

Hemant Jain  
Managing Director  
Din:00506995

Dilip Kumar Karn  
Director  
Din:00061804

Suresh Chand Jaithar  
Chief Financial Officer

Ajal Kumar Gupta  
Company Secretary



K L J Resources Limited  
Regd. Office: 8, Camac Street, Kolkata-700017

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022**

(Rupees in Lakhs)

|  | Note No. | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--|----------|--------------------------------|--------------------------------|
| <b>INCOME</b>  |          |                                |                                |
| I Revenue from Operations  | 27       | 3,66,494.33                    | 2,32,475.97                    |
| II Other Income  | 28       | 1,922.61                       | 1,873.47                       |
| III <b>TOTAL INCOME (I+II)</b>   |          | <b>3,70,416.94</b>             | <b>2,34,349.44</b>             |
| <b>EXPENSES</b>  |          |                                |                                |
| IV Cost of Material Consumed   | 29       | 10,517.02                      | 7,436.35                       |
| Purchase of Stock-In-Trade   | 30       | 3,20,828.81                    | 2,21,839.98                    |
| Changes in Inventories of Finished Goods & Stock in Trade  | 31       | 3,440.32                       | (28,565.12)                    |
| Employee Benefits Expense  | 32       | 4,446.37                       | 2,243.96                       |
| Finance Costs  | 33       | 716.68                         | 720.81                         |
| Depreciation and Amortization Expense  | 2        | 506.41                         | 364.75                         |
| Other Expense  | 34       | 4,271.89                       | 2,701.72                       |
| <b>TOTAL EXPENSES (IV)</b>   |          | <b>3,44,727.50</b>             | <b>2,06,742.46</b>             |
| V <b>PROFIT/ (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)</b>  |          | <b>25,689.44</b>               | <b>27,606.99</b>               |
| VI Exceptional Items   |          | -                              | -                              |
| Share in Profit/(Loss) of Associates   |          | 206.68                         | 270.75                         |
| VII <b>PROFIT/ (LOSS) BEFORE TAX (V-VI)</b>  |          | <b>25,896.12</b>               | <b>27,877.74</b>               |
| VIII Tax Expenses  |          | 6,507.84                       | 6,971.42                       |
| 1) Current Tax   |          | 14.46                          | (20.08)                        |
| 2) Deferred Tax  |          | (226.79)                       | (32.92)                        |
| 3) Short/(Excess) Provision for Earlier Year   |          |                                |                                |
| IX <b>PROFIT/ (LOSS) FOR THE PERIOD (VII-VIII)</b>   |          | <b>19,600.61</b>               | <b>20,959.32</b>               |
| X <b>OTHER COMPREHENSIVE INCOME</b>  | 35       |                                |                                |
| A (i) Items that will not be reclassified to Profit or Loss  |          | 961.50                         | 403.47                         |
| (ii) Income tax relating to items that will not be reclassified to Profit or Loss  |          | (169.82)                       | (107.83)                       |
| B (i) Items that will be reclassified to Profit or Loss  |          | (32.66)                        | 2.84                           |
| (ii) Income tax relating to items that will be reclassified to Profit or Loss  |          | 7.61                           | (0.72)                         |
| <b>TOTAL OTHER COMPREHENSIVE INCOME</b>  |          | <b>766.63</b>                  | <b>297.77</b>                  |
| XI <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (XIII+XIV)</b><br>(Comprising Profit/(Loss) and other comprehensive income for the period) |          | <b>20,367.23</b>               | <b>21,257.09</b>               |
| XII <b>Earnings Per Equity Share (Continuing Operations):</b>  | 36       |                                |                                |
| Basic  |          | 182.50                         | 195.15                         |
| Diluted  |          | 182.50                         | 195.15                         |

Significant Accounting Policies

The accompanying notes to the consolidated financial statements

1  
2 to 64

For & on behalf of the Board of Directors

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022



Hemant Jain  
Managing Director  
Din:00506995

Dilip Kumar Karn  
Director  
Din:00081804

Suresh Chand Jaitheer  
Chief Financial Officer

Ajal Kumar Gupta  
Company Secretary



K L J Resources Limited  
Regd. Office: 8, Camac Street, Kolkata-700017

STATEMENT OF CHANGES IN EQUITY AS AT 31st MARCH 2022

A. EQUITY SHARE CAPITAL (Rupees in Lakhs)

| Particulars                                     | Amount in Rs. |
|---|---------------|
| Balance as at 31st March 2021                   | 1,074.00      |
| Changes in equity share capital during the year | -             |
| Balance as at 31st March 2022                   | 1,074.00      |

BALANCE AS AT 31st MARCH 2022 (Rupees in Lakhs)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 1074.00  | -  | -   | -   | 1,074.00   |

BALANCE AS AT 31st MARCH 2021 (Rupees in Lakhs)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 1074.00  | -  | -   | -   | 1,074.00   |

B. OTHER EQUITY

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2022 (Rupees in Lakhs)

| Particulars   | Reserves and Surplus |                            |                |                   | Revaluation Surplus | Other Items of Other Comprehensive Income |                          | Total Amount |
|---|----------------------|----------------------------|----------------|-------------------|---------------------|---|--------------------------|--------------|
|   | Capital Reserve      | Securities Premium Reserve | Other Reserves | Retained Earnings |                     | Gratuity Planned Assets                   | Fair Value of Investment |              |
| Balance as at 01st April 2021                             | 291.34               | 3,819.50                   | -              | 59,749.43         | -                   | 18.95                                     | 1,618.92                 | 65,498.24    |
| Profit for the year                                       | -                    | -                          | -              | 15,500.81         | -                   | 17.74                                     | 514.45                   | 20,132.80    |
| Changes in accounting policy or prior period errors       | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Restated balance at the beginning of the reporting period | -                    | -                          | -              | -                 | -                   | -   | -                        | 85,631.03    |
| Total Comprehensive Income for the year                   | -                    | -                          | -              | (26.85)           | -                   | -   | -                        | (26.85)      |
| Dividends   | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Transfer to retained earnings                             | -                    | -                          | -              | -                 | -                   | -   | -                        | (26.88)      |
| Issue of Bonus Share                                      | (25.56)              | -                          | -              | -                 | -                   | 36.69                                     | 2,133.37                 | 85,578.81    |
| Balance as at 31st March 2022                             | 265.78               | 3,819.80                   | -              | 79,323.18         | -                   | -   | -                        |              |

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH 2021 (Rupees in Lakhs)

| Particulars   | Reserves and Surplus |                            |                |                   | Revaluation Surplus | Other Items of Other Comprehensive Income |                          | Total Amount |
|---|----------------------|----------------------------|----------------|-------------------|---------------------|---|--------------------------|--------------|
|   | Capital Reserve      | Securities Premium Reserve | Other Reserves | Retained Earnings |                     | Gratuity Planned Assets                   | Fair Value of Investment |              |
| Balance as at 01st April 2020                             | 281.34               | 3,819.60                   | -              | 38,816.96         | -                   | 6.40                                      | 1,256.51                 | 44,190.80    |
| Profit for the year                                       | -                    | -                          | -              | 20,959.32         | -                   | 12.55                                     | 362.41                   | 21,334.28    |
| Changes in accounting policy or prior period errors       | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Restated balance at the beginning of the reporting period | -                    | -                          | -              | -                 | -                   | -   | -                        | 65,525.07    |
| Total Comprehensive Income for the year                   | -                    | -                          | -              | (26.85)           | -                   | -   | -                        | (26.85)      |
| Dividends   | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Transfer to retained earnings                             | -                    | -                          | -              | -                 | -                   | -   | -                        | -            |
| Issue of Bonus Share                                      | -                    | -                          | -              | 69,749.43         | -                   | 18.95                                     | 1,618.92                 | 65,498.22    |
| Balance as at 31st March 2021                             | 281.34               | 3,819.60                   | -              | 69,749.43         | -                   | -   | -                        |              |

For & on behalf of the Board of Directors

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 00012418



Sunil Jain  
Partner  
M.No. 000990  
New Delhi, 30th May 2022

Hemant Jain  
Managing Director  
Din: 09506995

Suresh Chand Jain  
Chief Financial Officer

Dilip Kumar Kam  
Director  
Din: 00061804

Ajay Kumar Gupta  
Company Secretary



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022**

(Rupees in Lakhs)

|   | 31st March, 2022   | 31st March, 2021  |
|---|--------------------|-------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                     |                    |                   |
| Net Profit before tax and extraordinary items                     | 25,896.12          | 27,877.75         |
| Add: Adjustments for non cash items:                              |                    |                   |
| Depreciation  | 506.41             | 364.28            |
| Add: Adjustments for other items:                                 |                    |                   |
| Loss/(Profit) on Sale / Discard of Assets (net)                   | 281.87             | 0.03              |
| Loss/(Profit) on Sale of shares (net)                             | (195.98)           | (559.73)          |
| Disposal of Intangible Assets under Development                   | 16.66              |                   |
| Finance Costs   | 716.68             | 720.81            |
| Less:   |                    |                   |
| Dividend Income   | (13.86)            | (30.18)           |
| Interest Income   | (1,253.18)         | (800.03)          |
| <b>Operating Profit before Working Capital Changes</b>            | <b>25,964.70</b>   | <b>27,572.93</b>  |
| <b>Adjustment for Increase/decrease in operating assets</b>       |                    |                   |
| (Increase)/Decrease Trade and Other Receivables                   | (18,426.57)        | (8,774.24)        |
| (Increase)/Decrease in Inventories                                | 3,352.90           | (28,448.49)       |
| (Increase)/ Decrease in other current assets                      | 1,535.28           | (1,784.61)        |
| (Increase)/ Decrease in other financial assets                    | 306.94             | 47.70             |
| (Increase)/ Decrease in other non current assets                  | (25.86)            | (2,063.35)        |
| <b>Adjustment for Increase/decrease in operating liabilities</b>  |                    |                   |
| Increase/(Decrease) Trade and Other Payables                      | 14,689.27          | 13,919.67         |
| Increase/(Decrease) other current liabilities                     | 912.54             | 3,383.21          |
| Increase/(Decrease) other financial liabilities                   | (0.36)             | (161.32)          |
| Increase/(Decrease) other non current liabilities                 | (33.67)            | 374.04            |
| Increase/(Decrease) Provisions                                    | 20.17              | 156.52            |
| Cash Generated from Operations                                    | 28,284.33          | 4,222.05          |
| Taxes Paid (net)  | 5,945.54           | 6,193.44          |
| <b>Net Cash from Operating Activities</b>                         | <b>22,338.80</b>   | <b>(1,971.37)</b> |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                    |                   |
| Purchase of Property, Plant & Equipment                           | (2,962.61)         | (822.26)          |
| Impairment of Goodwill  | 36.00              | -                 |
| Addition in Capital Work In Progress                              | -                  | 44.03             |
| (Purchase)/Sale of Investment Property                            | 1,080.00           | (30.53)           |
| (Increase)/Decrease in Loans and Advances                         | (3,746.25)         | 674.32            |
| (Increase)/Decrease in Non Current Investments                    | (489.27)           | 1,372.01          |
| (Increase)/Decrease in Current Investments                        | (5,072.21)         | (597.63)          |
| Interest received   | 853.65             | 800.03            |
| Increase/ (Decrease) in Other Bank Balance including FDR's        | 1,047.02           | 122.92            |
| Profit on Sale of Shares  | 195.98             | 559.73            |
| Dividend income   | 13.88              | 30.18             |
| <b>Net Cash (used in) Investing Activities</b>                    | <b>(10,043.81)</b> | <b>2,152.78</b>   |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                    |                   |
| Proceeds from Long Term Borrowings                                | (1,523.29)         | (807.39)          |
| Payment of Lease liabilities                                      | (180.83)           | -                 |
| Dividends Paid (Including Dividend Distribution Tax)              | (28.85)            | (26.85)           |
| Short Term Borrowings (net)                                       | (4,902.73)         | 2,816.32          |
| Finance Costs   | (663.60)           | (720.61)          |
| <b>Net Cash (used in) / from Financing Activities</b>             | <b>(7,287.30)</b>  | <b>1,261.27</b>   |
| <b>Net Cash inflows/( outflows) from activities</b>               | <b>5,007.89</b>    | <b>1,442.68</b>   |
| Effect of Exchange differences on translation of Foreign currency | 142.60             | (78.16)           |
| <b>Net Increase In Cash and Cash Equivalents</b>                  | <b>5,150.50</b>    | <b>1,364.52</b>   |
| Opening Balance of Cash and Cash Equivalents                      | 1,995.95           | 630.74            |
| <b>Closing Balance of Cash and Cash Equivalents</b>               | <b>7,146.45</b>    | <b>1,995.95</b>   |
| <b>Component of Cash and Cash Equivalent</b>                      |                    |                   |
| Cash on Hand  | 11.68              | 12.71             |
| Balance with Banks:   |                    |                   |
| Current Accounts  | 7,134.78           | 1,983.24          |
|   | 7,146.45           | 1,995.95          |

The above cash flow statement has been prepared under the indirect Method as set out in Ind AS-7

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 0001418



Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022

For & on behalf of the Board of Directors

Hemant Jain  
Managing Director  
Din: 00506995

Dilip Kumar Karn  
Director  
Din: 00081804

Suresh Chand Jaitheer  
Chief Financial Officer

Ajai Kumar Gupta  
Company Secretary



**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

## **1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS**

### **1.1 Corporate Information**

KLJ Resources Limited ("the Parent Company") is a listed entity incorporated in India. The registered office of the Company is located at 8, Camac Street, Kolkata-700017, India having CIN: L67120WB1986PLC041487. Corporate office at KLJ House, 8A, Shivaji Marg, Najafgarh Road, New Delhi – 110015

The Company has eight wholly owned subsidiaries including one foreign subsidiary and one associate company hereinafter collectively referred to as "the Group". The Company & its foreign subsidiary are engaged in the business of trading/ manufacturing of chemicals. Other six Indian subsidiaries are primarily engaged in the business of real estate. one subsidiary and one Indian Associate is primarily engaged in the business of trading & manufacturing. The consolidated financial statements relate to KLJ Resources Ltd., its subsidiary companies & associate.

### **1.2 Basis of Preparation**

#### **a) Statement of Compliance**

These consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

#### **b) Basis of Measurement**

The consolidated financial statements have been prepared under the historical cost convention and on an accrual basis except for the following which have been valued at Fair value as required under Ind-AS instead of historical cost.

- i. Defined benefit Plan-Gratuity
- ii. Certain Financial assets and liabilities
- iii. Assets held for sale-measured at lower of cost or fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an assets or liability, the group takes into account the characteristics of the assets or liability if market participants would take those characteristics into account when pricing the assets or liability at the measurement date.

#### **c) Use of Estimates and Judgment**

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates include estimates of future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment actual results may differ from these estimates.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

- i. **Useful life of Property, Plant and equipment (PPE):** The group depreciates PPE on a Written Down Value (WDV) over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. The estimated useful life is reviewed at least annually.
- ii. **Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Under the projected unit credit (PUC) method a projected accrued benefit is calculated at the beginning of the period and again at the end of the period for each benefit that will accrue for all active members of the plan. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- iii. **Useful life of Intangible assets:** Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The Group amortizes intangible assets on a Written Down Value (WDV) over estimated useful lives of the assets. The useful life is Estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at the end of each annual reporting period.

- iv. **Expected credit losses on financial assets:** The group provides for impairment provisions of trade receivables based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

- v. **Leases:**  
Ind AS 116 defines a lease term as the noncancelable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term is included in the lease term, if it is reasonably certain that the lessee would exercise the option. The Group reassesses the option when significant events or changes in circumstances occur that are within the control of the lessee.

- vi. **Impairment of tangible and intangible assets other than goodwill:** As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, Investment property Investments and Intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property, Investments and intangible assets are tested for impairment so as to determine the





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialize.

vii. **Units of Measurement:** All financial information presented in Indian rupees and all values are rounded to the nearest lakhs rupees with two decimal points except where otherwise stated.

viii. **Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

**d) Basis of Consolidation**

The consolidated financial statements comprises of KLJ Resources Limited and all its subsidiaries and associate, being the entity that it controls. Controls are assessed in accordance with the requirement of Ind AS-110- Consolidated financial statements

**(i) Consolidation of Subsidiaries:**

- a) The consolidated financial statements of the Group combine Standalone financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses.
- b) All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of







**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

- c) In case of foreign subsidiary, revenue items are consolidated at the average rate for the period. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Other Comprehensive Income.
  - d) Excess of acquisition cost over the carrying amount of the Parent's share of equity of the acquire at the date of acquisition is recognized as goodwill. In cases where the share of the equity in the acquire as on the date of acquisition is in excess of acquisition cost, such excess of share in equity is recognised as 'Capital reserve' and classified under 'Reserves and Surplus'.
  - e) The consolidated financial statements have been presented in the same manner as Parent Company's standalone financial statements.
- (ii) **Consolidation of Associate:**
- a) Investment in associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.
  - b) The Company accounts for its share of post acquisition changes in net assets of associate, after eliminating unrealised profits and losses resulting from transactions between the Company and its associate to the extent of its share, through its Consolidated Statement of Profit and Loss.

### 1.3 Cash Flow Statement

Consolidated Cash and cash equivalents refers to the line item on the balance sheet that reports the value of a company's assets that are cash or can be converted into cash immediately. Cash equivalents include bank accounts and marketable securities such as commercial paper and short-term government bonds. Cash equivalents have maturities of three months or less

Consolidated Cash flow statement is reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### 1.4 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group, is such that its disclosure improves an understanding of the performance of the group. Such income or expense is classified as an exceptional item and accordingly disclosed in the Notes to Accounts.

### 1.5 Investments

All investments other than Subsidiaries and Associates are measured at fair value, with value changes recognized in Statement of Other Comprehensive Income.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

### 1.6 Inventories

Items of inventories are valued at lower of specific cost or net estimated realizable value after providing for obsolescence, if any. Inventory of raw materials lying at factory are valued on FIFO Basis.

Cost of inventories comprises of cost of purchase, cost of transport, cost of conversion and other costs including manufacturing /other overheads incurred in bringing them to their respective present location and condition. Inter-unit goods transfers are valued at lower of cost/ net estimated realizable value. Non duty paid goods lying at port has been valued without Basic Custom Duty due to uncertainty of quantum of material to be sold against transfer of ownership/ duty paid.

### 1.7 Property, Plant and Equipment and Depreciation / Amortization

- a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.
- Cost of asset includes the following:
- i. Cost directly attributable to the acquisition of the assets.
  - ii. Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto.
  - iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
- b) Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalised if the recognition criteria are met.
- c) Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.
- d) Amounts paid towards the acquisition of property, plant and equipment that is yet to be delivered by supplier / vendor at the reporting date is classified as capital advance; and
- e) Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

#### Depreciation

Depreciation on Property, plant and Equipment is provided on Written Down Value (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

### 1.8 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

### 1.9 Intangible Assets and Amortisation

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/ depreciation and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Cost of items of intangible assets not ready for intended use as on the balance sheet date is disclosed as intangible assets under development.

Intangible assets are amortized over the estimated useful life. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any change in the estimate being accounted for on a prospective basis.

### 1.10 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date group assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

### 1.11 Revenue Recognition

The Group derives revenues primarily from sale of traded goods, manufactured goods and related services.

Effective 01 April 2018, the Group has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers'.

There is no effect on adoption of Ind-AS 115. Revenue is recognized on satisfaction of performance obligation which is treated as satisfied upon transfer of control of promised products or services to customers on output method in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

On each reporting date expected credit loss on receivables is measured and accounted for as per Ind-AS 109.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from sale of products and services are recognized at a time on which the performance obligation is satisfied.

#### Other operating revenue – Service Charges

Group renders services only incidental to its primary activity that is trading of goods and sale of manufactured goods. Service charges are accounted for on satisfaction of performance obligation which is treated as satisfied on completion of rendering of services under the contract.

Dividend income is recognized as and when received.

Claims: All sorts of claims by or against the company are recognized as and when acknowledged / accepted / settled / received.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

### 1.12 Employee Benefits

Short-term employee benefits- Employee benefits payable wholly within 12 months of rendering services are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

The obligations for employee benefit such as Leave encashment is accounted for on accrual basis.

Defined Contribution Plan: Contribution to defined schemes such as Provident Fund and ESI is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Gratuity benefit is funded through the Group Gratuity Scheme under the Life Insurance Corporation of India. Contribution made under the scheme is charged as expense in the Statement of Profit & Loss.

The liability /asset in respect of defined benefit plan is the present value of the defined benefit obligation at the end of reporting period less fair value of the planned assets. The defined benefit obligation is calculated annually by actuarial valuer.

Actuarial gains or losses are recognized in Other Comprehensive Income.

Performance based declared ex-gratia & accretion thereto is provided in the Statement of Profit and Loss and to be disbursed as per the policy framed by the management.

### 1.13 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to Statement of Profit and Loss account in the year in which they are incurred.

### 1.14 Functional and Presentation Currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. (Functional Currency) The consolidated financial statements are presented in Indian rupees, which is the presentation currency of company.

- a. Foreign Currency Transactions  
All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.
- b. Non-monetary items are translated at the rate on the date of initial transaction.
- c. Monetary items denominated in foreign currency are translated at the prevailing closing spot rate at each reporting date.
- d. Foreign exchange gain or losses in respect of monetary and non-monetary items is recognised in statement of profit and loss.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.15 Tax expenses represents the sum of current tax and deferred tax**

**a Current Income Tax**

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.
- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- iv. Current tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**b Deferred tax**

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

**1.16 Provisions**

- Provision is recognized when:
- i. The Group has a present obligation as a result of a past event, and
  - ii) A probable outflow of resources is expected to settle the obligation and
  - iii) A reliable estimate of the amount of the obligation can be made.
- Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.

**Discounting of Provisions**

Provision which expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.17 Contingent Liabilities and contingent Assets**

- a) Contingent Liabilities are disclosed in either of the following cases:
- A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
  - A reliable estimate of the present obligation cannot be made; or
  - A possible obligation, unless the probability of outflow of resource is remote.
- b) Contingent assets is disclosed where an inflow of economic benefits is probable.
- c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

**1.18 Earnings Per Share**

In determining earnings per share, the Company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The dilutive earning per share is same as basic earning per share as there is no dilution involved during the year.

**1.19 Fair Value Measurement**

Group measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

**1.20 Dividend to equity holders**

Dividend paid/payable shall be recognised in the year in which the related dividends are approved by shareholders or board of directors as appropriate.





**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

**1.21 Financial instruments:-**  
**a) Initial recognition and measurement**

Financial Instruments are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

**b) Subsequent measurement**

**A. FINANCIAL ASSETS**

**i. Financial Assets At Amortized Cost**  
A financial asset shall be measured at amortized cost if it 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.

**ii. Fair value through Other Comprehensive Income.**  
A financial asset is classified as at the FVTOCI if it is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the 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.

The group in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments.

**iii. Fair value through Profit and loss account**  
Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**B. FINANCIAL LIABILITIES**

**a) Financial liabilities at Amortized Cost**

Financial liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**b) Financial liabilities at FVTPL**

The group has not designated any financial liabilities at FVTPL.

**c) Derecognition**

**Financial Asset**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

**Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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





**K L J Resources Limited**  
**Reqd. Office : 8, Camac Street, Kolkata – 700017**

modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

**d) Financial Guarantee Contracts**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss if incurs because the specified debtors fails to make the payments when due in accordance with term of debt instrument financial guarantee contract are recognized initially as liability at fair value, adjusted for transition cost that are directly attributed the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind As 109 and the amount initially recognized less cumulative income recognized in accordance with principal of Ind AS115.

**e) Impairment of financial assets:**

The group assesses on forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. **Note 46(iv)(b)** details how the group determines whether there has been significant increase in credit risk.

For trade receivables only, the group applied a simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of receivables.

**1.22 Leases:**

**As a Lessee**

The Group's lease asset classes primarily consist of leases for buildings taken on lease. The group assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is measured by applying cost model i.e. right-of use asset at cost less accumulated depreciation. Right-of use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The carrying amount of lease liability is increased by interest on lease liability and reduce by lease payment made.

**As a Lessor**

Lease income from operating leases where the group is a lessor is recognized in income on straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**Transition**

Effective April 1, 2019, the group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application. Accordingly, Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.







**K L J Resources Limited**  
**Regd. Office : 8, Camac Street, Kolkata – 700017**

For the comparative information that is till March 31, 2019, the Group has followed the following accounting policy as a lessee

**Finance Lease:**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Assets held under finance leases are initially recognised as Assets of the group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

**Operating Lease:**

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**1.23 Non-current Assets (or disposal groups) held for Sale**

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 5 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of

- (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognised had that asset not been classified as held for sale, and
- (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.





Notes to Consolidated Financial Statements as at 31st March 2022

(Figures in Lakhs)

| Particulars          | GROSS BLOCK     |                 |                 | DEPRECIATION    |                     |                      | NET BLOCK     |                        |                      |                 |                 |                 |
|----------------------|-----------------|-----------------|-----------------|-----------------|---------------------|----------------------|---------------|------------------------|----------------------|-----------------|-----------------|-----------------|
|                      | As at 01.04.20  | As at 31.03.21  | As at 31.03.22  | Additions       | Sales / Adjustments | Total As At 31.03.22 | For the year  | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21  | As at 31.03.22  | As at 31.03.20  |
| Factory Buildings    | 34.82           | 24.82           | 24.82           | -               | -                   | 24.82                | 1.02          | -                      | 16.99                | 7.03            | 8.54            | 8.55            |
| Office / Buildings   | 1,041.16        | 1,041.16        | 1,041.16        | 2,376.83        | -                   | 3,619.69             | 43.26         | -                      | 253.92               | 3,365.77        | 845.95          | 688.32          |
| Plant & Machinery    | 206.06          | 208.88          | 209.86          | -               | -                   | 209.86               | 0.24          | -                      | 175.75               | 33.14           | 40.77           | 50.01           |
| Furniture & Fixtures | 127.42          | 178.57          | 184.49          | 15.52           | -                   | 194.49               | 16.73         | -                      | 132.04               | 60.55           | 84.45           | 30.05           |
| Office Equipments    | 100.56          | 206.83          | 32.82           | -               | -                   | 239.55               | 23.54         | -                      | 100.53               | 79.12           | 94.94           | 29.22           |
| Computers & Printers | 82.20           | 103.81          | 13.83           | 26.22           | -                   | 73.44                | 10.05         | -                      | 102.80               | 29.03           | 20.10           | 8.77            |
| Vehicles             | 221.82          | 382.25          | 441.23          | 48.04           | -                   | 441.23               | 54.59         | -                      | 253.46               | 177.83          | 162.53          | 85.25           |
| <b>Total</b>         | <b>1,816.87</b> | <b>2,187.93</b> | <b>2,187.93</b> | <b>3,793.83</b> | <b>0.48</b>         | <b>4,861.45</b>      | <b>136.41</b> | <b>0.43</b>            | <b>1,108.49</b>      | <b>3,753.08</b> | <b>1,256.44</b> | <b>1,072.17</b> |

| Particulars  | GROSS BLOCK    |                |                | DEPRECIATION  |                     |                      | NET BLOCK    |                        |                      |                |                |              |
|--------------|----------------|----------------|----------------|---------------|---------------------|----------------------|--------------|------------------------|----------------------|----------------|----------------|--------------|
|              | As at 01.04.20 | As at 31.03.21 | As at 31.03.22 | Additions     | Sales / Adjustments | Total As At 31.03.22 | For the year | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21 | As at 31.03.20 |              |
| Buildings #  | 169.67         | 649.19         | 832.32         | 283.13        | -                   | 832.32               | 71.84        | -                      | 220.35               | 661.97         | 510.64         | 97.83        |
| <b>Total</b> | <b>169.67</b>  | <b>649.19</b>  | <b>832.32</b>  | <b>283.13</b> | <b>-</b>            | <b>832.32</b>        | <b>66.71</b> | <b>-</b>               | <b>250.35</b>        | <b>641.97</b>  | <b>510.64</b>  | <b>97.83</b> |

| Particulars            | GROSS BLOCK    |                |                | DEPRECIATION |                     |                      | NET BLOCK    |                        |                      |                |                |              |
|------------------------|----------------|----------------|----------------|--------------|---------------------|----------------------|--------------|------------------------|----------------------|----------------|----------------|--------------|
|                        | As at 01.04.20 | As at 31.03.21 | As at 31.03.22 | Additions    | Sales / Adjustments | Total As At 31.03.22 | For the year | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21 | As at 31.03.20 |              |
| Leasehold Improvement* | 44.03          | 44.03          | 44.03          | -            | -                   | 44.03                | -            | -                      | -                    | -              | -              | 44.03        |
| <b>Total</b>           | <b>44.03</b>   | <b>44.03</b>   | <b>44.03</b>   | <b>-</b>     | <b>-</b>            | <b>44.03</b>         | <b>-</b>     | <b>-</b>               | <b>-</b>             | <b>-</b>       | <b>-</b>       | <b>44.03</b> |

| Particulars    | GROSS BLOCK     |                 |                 | DEPRECIATION  |                     |                      | NET BLOCK     |                        |                      |                 |                 |                 |
|----------------|-----------------|-----------------|-----------------|---------------|---------------------|----------------------|---------------|------------------------|----------------------|-----------------|-----------------|-----------------|
|                | As at 01.04.20  | As at 31.03.21  | As at 31.03.22  | Additions     | Sales / Adjustments | Total As At 31.03.22 | For the year  | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21  | As at 31.03.20  |                 |
| Land, Freehold | 2,194.34        | 1,530.83        | 1,530.83        | 161.27        | 950.80              | 725.21               | -             | -                      | 702.31               | 1,530.83        | 2,184.34        |                 |
| Buildings      | 3,651.82        | 3,472.01        | 3,540.83        | 77.82         | -                   | 3,540.83             | 138.83        | -                      | 916.13               | 2,803.70        | 2,231.43        |                 |
| <b>Total</b>   | <b>5,846.16</b> | <b>5,002.84</b> | <b>4,902.14</b> | <b>239.09</b> | <b>950.80</b>       | <b>4,902.14</b>      | <b>138.83</b> | <b>-</b>               | <b>1,47.11</b>       | <b>3,386.01</b> | <b>4,232.82</b> | <b>5,015.78</b> |

| Particulars  | GROSS BLOCK    |                |                | DEPRECIATION |                     |                      | NET BLOCK    |                        |                      |                |                |             |
|--------------|----------------|----------------|----------------|--------------|---------------------|----------------------|--------------|------------------------|----------------------|----------------|----------------|-------------|
|              | As at 01.04.20 | As at 31.03.21 | As at 31.03.22 | Additions    | Sales / Adjustments | Total As At 31.03.22 | For the year | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21 | As at 31.03.20 |             |
| Software     | 23.85          | 23.85          | 23.85          | -            | -                   | 23.85                | 30.37        | 0.99                   | 21.37                | 1.89           | 2.48           | 3.47        |
| <b>Total</b> | <b>23.85</b>   | <b>23.85</b>   | <b>23.85</b>   | <b>-</b>     | <b>-</b>            | <b>23.85</b>         | <b>30.37</b> | <b>0.99</b>            | <b>21.37</b>         | <b>1.89</b>    | <b>2.48</b>    | <b>3.47</b> |

| Particulars  | GROSS BLOCK    |                |                | DEPRECIATION |                     |                      | NET BLOCK    |                        |                      |                |                |              |
|--------------|----------------|----------------|----------------|--------------|---------------------|----------------------|--------------|------------------------|----------------------|----------------|----------------|--------------|
|              | As at 01.04.20 | As at 31.03.21 | As at 31.03.22 | Additions    | Sales / Adjustments | Total As At 31.03.22 | For the year | Deduction / Adjustment | Total As At 31.03.22 | As at 31.03.21 | As at 31.03.20 |              |
| Software     | 15.05          | 16.66          | 16.66          | -            | -                   | 16.66                | -            | -                      | -                    | -              | 15.05          | 15.69        |
| <b>Total</b> | <b>15.05</b>   | <b>16.66</b>   | <b>16.66</b>   | <b>-</b>     | <b>-</b>            | <b>16.66</b>         | <b>-</b>     | <b>-</b>               | <b>-</b>             | <b>-</b>       | <b>15.05</b>   | <b>15.69</b> |

\* Refer note no. 38 for Investment Property





**K L J Resources Limited**  
Regd. Office: 9, Calicut Street, Kolkata-700017

Notes to Consolidated Financial Statements as at 31st March 2022

(Rupees in Lakhs)

| 3 NON CURRENT INVESTMENTS                               |  |                              |            |                |                |                                      |                 |                 |
|---|--|------------------------------|------------|----------------|----------------|--------------------------------------|-----------------|-----------------|
| S.No  | Name of The Company  | Nature of Investment         | Face Value | No of Shares   |                | Amount                               |                 |                 |
|   |  |                              |            | As at 31-03-22 | As at 31-03-21 | As at 31-03-22                       | As at 31-03-21  |                 |
| <b>A In Equity Shares</b>                               |  |                              |            |                |                |                                      |                 |                 |
| <b>a) Quoted (Fully Paid Up)</b>                        |  |                              |            |                |                |                                      |                 |                 |
| 1   | Hindustan Petroleum Corporation Ltd<br>Market Value as on 31-3-22 Rs. 2,83,823/- (FY- Rs 3,16,843/-) | Equity Shares                | 10         | 1,350          | 1,350          | 5.84                                 | 3.17            |                 |
| 2   | OCM Sironi Ltd<br>Market Value as on 31-3-22 Rs NIL. (FY-Rs 85,00,350/-)                             | Equity Shares                | 2          | -              | 17,000         | -                                    | 85.09           |                 |
| 3   | ITC Limited<br>Market Value as on 31-3-22 Rs. 5,80,38,000 (FY- NIL)                                  | Equity Shares                | 1          | 2,15,000       | -              | 680.36                               | -               |                 |
| <b>b) Unquoted (Fully Paid Up)</b>                      |  |                              |            |                |                |                                      |                 |                 |
| <b>i) In Wholly Owned Subsidiary</b>                    |  |                              |            |                |                |                                      |                 |                 |
| 1   | Altmore Townships and Resorts Pvt. Ltd.  | Equity Shares                | 10         | 11,30,000      | 11,30,000      | -                                    | -               |                 |
| 2   | Brookville Townships and Resorts Pvt. Ltd.   | Equity Shares                | 10         | 16,10,000      | 16,10,000      | -                                    | -               |                 |
| 3   | Springdale Townships and Resorts Pvt. Ltd.   | Equity Shares                | 10         | 10,00,000      | 10,00,000      | -                                    | -               |                 |
| 4   | Valley View Townships Pvt. Ltd.  | Equity Shares                | 10         | 20,10,000      | 20,10,000      | -                                    | -               |                 |
| 5   | KLJ Specialty Chemicals Pvt Ltd  | Equity Shares                | 10         | 50,000         | -              | -                                    | -               |                 |
| 6   | KLJ Resources DMCC   | Equity Shares                | AED1000    | 3,670          | 3,670          | -                                    | -               |                 |
| 7   | AK Bultech Pvt. Ltd.   | Equity Shares                | 10         | 10,000         | 10,000         | -                                    | -               |                 |
| 8   | Sudhok Real Estate Pvt. Ltd.   | Equity Shares                | 10         | 10,000         | 10,000         | -                                    | -               |                 |
| <b>ii) In Associates</b>                                |  |                              |            |                |                |                                      |                 |                 |
| 1   | Hanning Plastic Goods Pvt. Ltd. (Shareholding 24%)   | Equity Shares                | 10         | 16,236         | 16,235         | 4.83                                 | 4.85            |                 |
| 2   | KLJ Organic (Thailand) Limited (Shareholding 27.84%)   | Equity Shares                | Baht 125   | 2,70,018       | 2,70,010       | 1,277.18                             | 1,034.88        |                 |
| <b>iii) In Others</b>                                   |  |                              |            |                |                |                                      |                 |                 |
| 1   | Intevi Sound Products Co. Pvt. Ltd.  | Equity Shares                | 100        | 5,715          | 5,715          | 1,437.53                             | 1,040.47        |                 |
| 2   | Lukhyan Properties Pvt. Ltd.   | Equity Shares                | 10         | 8,900          | 8,800          | 53.18                                | 52.58           |                 |
| 3   | M.H Builders Pvt. Ltd.   | Equity Shares                | 10         | 8,40,000       | 8,40,000       | 68.36                                | 68.11           |                 |
| 4   | Shadan Financiers Pvt. Ltd.  | Equity Shares                | 10         | 33,800         | 33,800         | 97.88                                | 71.02           |                 |
| 5   | Pragati Imports Pvt. Ltd.  | Equity Shares                | 10         | 45,000         | 45,000         | 80.00                                | 77.40           |                 |
| 6   | Pragati Imptrade Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 80.88                                | 58.95           |                 |
| 7   | Pragati Tradecom Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 73.98                                | 63.00           |                 |
| 8   | Sweet's Exports and Imports Pvt. Ltd.  | Equity Shares                | 10         | 45,000         | 45,000         | 81.75                                | 68.65           |                 |
| 9   | Sweet's Tracom Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 82.24                                | 69.30           |                 |
| 10  | Sweet's Trader Pvt. Ltd.   | Equity Shares                | 10         | 45,000         | 45,000         | 81.70                                | 68.88           |                 |
| 11  | KLJ Developers Pvt Ltd.  | Equity Shares                | 10         | 4,76,000       | 4,76,000       | 1,542.24                             | 1,480.38        |                 |
| 12  | KLJ Plastic Ltd.   | Equity Shares                | 10         | 58,000         | 58,000         | -                                    | -               |                 |
| 13  | AMI Computers Ltd.   | Equity Shares                | 10         | 2,000          | 2,000          | -                                    | -               |                 |
| 14  | Asia Pacific Financial Services Ltd.   | Equity Shares                | 10         | 500            | 500            | -                                    | -               |                 |
| 15  | S. M Dyechem Ltd.  | Equity Shares                | 10         | 500            | 500            | -                                    | -               |                 |
| <b>B In Preference Shares- Unquoted (Fully Paid Up)</b> |  |                              |            |                |                |                                      |                 |                 |
| 1   | KLJ Plastic Ltd.   | Preference Shares            | 10         | 15,210         | 15,210         | -                                    | -               |                 |
| <b>C In Bonds: Quoted (Fully Paid Up)</b>               |  |                              |            |                |                |                                      |                 |                 |
| 1   | 0.25% Ghosia Transport. Source Company<br>Market Value As on 31-03-22 Rs. NIL. (FY Rs 1,61,13,603/-) | Bonds                        | 10,00,000  | -              | 10             | -                                    | 161.13          |                 |
| 2   | 0.5% Volareo Limited<br>Market Value as on 31-03-22 Rs NIL. (FY Rs 1,00,02,000/-)                    | Bonds                        | 10,00,000  | -              | 10             | -                                    | 100.02          |                 |
| <b>C In Mutual Funds: Quoted (Fully Paid Up)</b>        |  |                              |            |                |                |                                      |                 |                 |
| 1   | Kotak Standard Mutual Fund Market Value as on 31-3-22 Rs 3,19,50,536/- (FY- Rs. 2,78,86,74/-)        | Mutual Funds (Rs's in units) | 10         | 5,14,940       | 5,14,940       | 319.80                               | 275.49          |                 |
|   |  |                              |            |                |                | <b>Total Investments-Non Current</b> | <b>5,882.86</b> | <b>4,720.92</b> |

**3 CURRENT INVESTMENTS**

| D In Mutual Funds: Quoted (Fully Paid Up) |   |                              |            |                |                |                                    |                  |                 |
|---|---|------------------------------|------------|----------------|----------------|------------------------------------|------------------|-----------------|
| S.No                                      | Name of The Company   | Nature of Investment         | Face Value | No of Shares   |                | Amount                             |                  |                 |
|   |   |                              |            | As at 31-03-22 | As at 31-03-21 | As at 31-03-22                     | As at 31-03-21   |                 |
| 1   | SBI Floating Rate Debt Fund Direct Plan<br>Market Value as on 31-3-22 Rs 60,72,21,324 (FY- NIL) | Mutual Funds (Rs's in units) | 10         | 573,05,917     | -              | 6,672.21                           | -                |                 |
|   |   |                              |            |                |                | <b>Total Investments - Current</b> | <b>6,672.21</b>  | <b>-</b>        |
|   |   |                              |            |                |                | <b>Total Investments</b>           | <b>11,555.07</b> | <b>4,720.92</b> |

a) Aggregate amount of quoted investments and market value thereof 6,384.82 368.90

b) Aggregate amount of unquoted investments. 4,870.26 4,157.02

c) Aggregate amount of impairment in value of investments 88.15 68.19





**K L J Resources Limited**  
 Regd. Office: 8, Camac Street, Kolkata-700017

**Notes to Consolidated Financial Statements as at 31st March 2022**  
 (Rupees in Lakhs) (Rupees in Lakhs)

|   | <u>As At</u><br><u>31st March 2022</u> | <u>As At</u><br><u>31st March 2021</u> |
|---|--|--|
| <b>4 OTHER NON CURRENT FINANCIAL ASSETS</b><br>(Unsecured, considered good)               |  |  |
| Security Deposits   | 148.73                                 | 155.65                                 |
| Finance Lease Receivable  | 42.49                                  | 23.91                                  |
| Advance for Investment  | -                                      | 363.45                                 |
|   | <b>189.22</b>                          | <b>543.01</b>                          |
| <br>  |  |  |
| <b>5 DEFERRED TAX ASSETS / (LIABILITIES) (net)</b>  |  |  |
| Opening Balance   | (362.19)                               | (274.44)                               |
| Add: Charge/(Credit) to Statement of Profit and Loss                                      | (14.46)                                | 20.08                                  |
| Add: Charge/(Credit) to Other Comprehensive Income  | (162.21)                               | (107.83)                               |
|   | <b>(538.86)</b>                        | <b>(362.19)</b>                        |
| <br>  |  |  |
| <b>Component of Deferred Tax Asset / (Liabilities)</b>                                    |  |  |
| Opening Balance   | 90.41                                  | 80.89                                  |
| Property, Plant & Equipment and Intangible Asset  | 31.41                                  | 20.84                                  |
| Provisions  | (485.22)                               | (381.62)                               |
| Fair Value of Investment  | 1.22                                   | 5.44                                   |
| Defined Benefit Plans   | (362.18)                               | (274.45)                               |
| <br>  |  |  |
| Charge/(Credit) to Statement of Profit and Loss   | (8.78)                                 | 9.52                                   |
| Property, Plant & Equipment and Intangible Asset  | (5.68)                                 | 10.57                                  |
| Provisions  | (14.46)                                | 20.09                                  |
| <br>  |  |  |
| Charge/(Credit) to Other Comprehensive Income   | (156.24)                               | (103.61)                               |
| Fair Value of Investment  | (5.97)                                 | (4.22)                                 |
| Defined Benefit Plans   | (162.21)                               | (107.83)                               |
| <br>  |  |  |
| <b>Closing Balance</b>  | 81.63                                  | 90.41                                  |
| Property, Plant & Equipment and Intangible Asset  | 25.72                                  | 31.41                                  |
| Provisions  | (4.75)                                 | 1.22                                   |
| Defined Benefit Plans   | (641.47)                               | (485.22)                               |
| Fair Value of Investment  | <b>(538.86)</b>                        | <b>(362.19)</b>                        |
| <br>  |  |  |
| <b>6 OTHER NON CURRENT ASSETS</b>   |  |  |
| Planned Asset (Gratuity)  | 214.13                                 | 187.27                                 |
|   | <b>214.13</b>                          | <b>187.27</b>                          |
| <br>  |  |  |
| <b>7 INVENTORIES</b>  |  |  |
| Stock In Trade  | 30,087.99                              | 45,359.96                              |
| Stock In Transit  | 23,160.35                              | 11,498.40                              |
| Raw Materials   | 490.60                                 | 354.08                                 |
| Finished Goods  | 245.20                                 | 124.60                                 |
| Valuation of inventories are done as per point no. 1.6 of significant accounting policies | <b>53,984.14</b>                       | <b>57,337.04</b>                       |
| <br>  |  |  |
| <b>8 TRADE RECEIVABLE</b><br>(Unsecured, considered good)                                 |  |  |
| Related Party   | 2,040.71                               | 1,356.45                               |
| Others  | 64,688.67                              | 46,949.36                              |
|   | <b>66,729.38</b>                       | <b>48,305.81</b>                       |
| Less: Provision for Expected Credit Losses  | 22.00                                  | 25.00                                  |
|   | <b>66,707.38</b>                       | <b>48,280.81</b>                       |





**K L J Resources Limited**  
**Regd. Office: 8, Camac Street, Kolkata-700017**  
**Notes to consolidated Financial Statements as at 31st March 2022**

For trade receivables outstanding as on 31st March 2022, following ageing schedule shall be given:

(Rupees in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   | Total     |
|--|--|------------------|-----------|-----------|-------------------|-----------|
|  | Less than 6 months   | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years |           |
| (i) Undisputed Trade receivables — considered good                                 | 65,313.31  | 540.79           | 873.78    | 1.49      | -                 | 66,729.38 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | -  | -                | -         | -         | -                 | -         |
| (iii) Undisputed Trade Receivables — credit impaired                               | -  | -                | -         | -         | -                 | -         |
| (iv) Disputed Trade Receivables — considered good                                  | -  | -                | -         | -         | -                 | -         |
| (v) Disputed Trade Receivables — which have significant increase in credit risk    | -  | -                | -         | -         | -                 | -         |
| (vi) Disputed Trade Receivables — credit impaired                                  | -  | -                | -         | -         | -                 | -         |

For trade receivables outstanding as on 31st March 2021, following ageing schedule shall be given:

(Rupees in Lakhs)

| Particulars  | Outstanding for following periods from due date of payment |                  |           |           |                   | Total     |
|--|--|------------------|-----------|-----------|-------------------|-----------|
|  | Less than 6 months   | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years |           |
| (i) Undisputed Trade receivables — considered good                                 | 45,460.41  | 1,835.51         | 1,009.14  | 0.74      | -                 | 48,305.81 |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | -  | -                | -         | -         | -                 | -         |
| (iii) Undisputed Trade Receivables — credit impaired                               | -  | -                | -         | -         | -                 | -         |
| (iv) Disputed Trade Receivables — considered good                                  | -  | -                | -         | -         | -                 | -         |
| (v) Disputed Trade Receivables — which have significant increase in credit risk    | -  | -                | -         | -         | -                 | -         |
| (vi) Disputed Trade Receivables — credit impaired                                  | -  | -                | -         | -         | -                 | -         |

\*Refer note no. 53 for market risk and credit risk\*





K L J Resources Limited  
Regd. Office: 8, Camac Street, Kolkata-700017

Notes to Consolidated Financial Statements as at 31st March 2022

(Rupees in Lakhs)

|   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| <b>9 CASH AND CASH EQUIVALENTS</b>                                    |                           |                           |
| Cash on Hand  | 11.68                     | 12.71                     |
| Balance with Banks:   |                           |                           |
| Current Accounts  | 7,134.78                  | 1,983.24                  |
|   | <u>7,146.45</u>           | <u>1,995.95</u>           |
| <b>10 BANK BALANCES OTHER THAN CASH &amp; CASH EQUIVALENTS</b>        |                           |                           |
| FDR's with Banks as Margin Money                                      | 3,450.48                  | 3,435.81                  |
| FDR's with Banks as Security  | 530.27                    | 1,591.96                  |
|   | <u>3,980.75</u>           | <u>5,027.77</u>           |
| <b>11 LOANS</b>   |                           |                           |
| (Loans Receivables considered good – Unsecured)                       |                           |                           |
| Others  | 10,032.20                 | 6,285.94                  |
| (Loans Receivables which have significant increase in credit risk)    |                           |                           |
| Loans to Others   | 381.18                    | -                         |
| Less: Provision for Doubtful advance                                  | (381.18)                  | -                         |
|   | <u>10,032.20</u>          | <u>6,285.94</u>           |
| *Refer note no. 41 for Loan repayable on demand"                      |                           |                           |
| *Refer note no. 53 for credit risk and market risk"                   |                           |                           |
| <b>12 OTHER CURRENT FINANCIAL ASSETS</b>                              |                           |                           |
| Accrued Interest on FDR's   | 37.36                     | 71.98                     |
| Advances (Recoverable in cash or in kind or for value to be received) | 175.15                    | 55.33                     |
| Rent Receivable   | 11.14                     | 60.68                     |
|   | <u>223.65</u>             | <u>187.99</u>             |
| <b>13 CURRENT TAX</b>   |                           |                           |
| Current Tax Liability   | 6,655.65                  | 6,873.67                  |
| Direct Tax Payable  | 5,964.80                  | 6,518.35                  |
| Less: Advance Tax & TDS   | 690.85                    | 355.32                    |
|   | <u>690.85</u>             | <u>355.32</u>             |
| <b>14 OTHER CURRENT ASSETS</b>  |                           |                           |
| Prepaid Expenses  | 149.95                    | 246.67                    |
| Balance of GST  | 758.73                    | 2,207.46                  |
| Other Advances  | 792.71                    | 782.53                    |
|   | <u>1,701.39</u>           | <u>3,236.66</u>           |





**K L J Resources Limited**  
Regd. Office: 8, Camac Street, Kolkata-700017

Notes to Consolidated Financial Statements as at 31st March 2022

(Rupees in Lakhs)

|   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| <b>15 EQUITY SHARE CAPITAL</b>  | <b>2,900.00</b>           | <b>2,500.00</b>           |
| Authorized Share Capital:<br>2,50,00,000 Equity Shares (PY 2,50,00,000 Equity Shares) of Rs.10/- each | 1,074.00                  | 1,074.00                  |
| Issued, Subscribed, Called & fully Paid -up shares:   | 1,074.00                  | 1,074.00                  |

(a) Reconciliation of the shares outstanding at the

|                                    | As At 31st March, 2022 |          | As At 31st March, 2021 |          |
|------------------------------------|------------------------|----------|------------------------|----------|
|                                    | No. of Shares<br>Held  | Amount   | No. of Shares<br>Held  | Amount   |
| Equity Shares                      | 107,40,000             | 1,074.00 | 107,40,000             | 1,074.00 |
| At the beginning of the year       | -                      | -        | -                      | -        |
| Issued during the year             | 107,40,000             | 1,074.00 | 107,40,000             | 1,074.00 |
| Outstanding at the end of the year | 107,40,000             | 1,074.00 | 107,40,000             | 1,074.00 |

(b) Rights, preference and restrictions attached to Equity Shares:

The company has at present only one class of equity shares having a par value of Rs.10/- each share. Each shareholder is entitled for one vote per share held & entitled to dividend in proportion of their shareholdings. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholdings.

(c) During the financial year 2017-18 the Company has issued 35,80,000 Bonus share in the ratio of one equity share for every two shares held by capitalization of Securities

(d) The Company has not issued any shares for a consideration other than cash immediately preceding five year except aforesaid Bonus Shares.

(e) Details of Shareholders holding more than 5% shares in the company:

|                                      | As At 31st March, 2022 |                          | As At 31st March, 2021 |                          |
|--------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
|                                      | No. of Shares<br>Held  | Percentage of<br>Holding | No. of Shares<br>Held  | Percentage of<br>Holding |
| Sh. Hemant Jain                      | 13,15,200              | 12.25                    | 13,15,200              | 12.25                    |
| Sh. Kamal Jain                       | 13,14,750              | 12.24                    | 13,14,750              | 12.24                    |
| Sh. Pushp Jain                       | 13,15,050              | 12.24                    | 13,15,050              | 12.24                    |
| Bhadani Financers Pvt. Ltd.          | 12,00,000              | 11.17                    | 12,00,000              | 11.17                    |
| Siddhi Shree Vincom Pvt. Ltd.        | 12,09,022              | 11.26                    | 12,09,022              | 11.26                    |
| Sh. K. L. Jain                       | 9,75,000               | 9.08                     | 9,75,000               | 9.08                     |
| Mangalshree Suppliers Pvt. Ltd.      | 8,98,200               | 8.36                     | 8,98,200               | 8.36                     |
| Pioneer Infra-Constructions (P) Ltd. | 7,50,750               | 6.99                     | 7,50,750               | 6.99                     |
| Smt. Sushila Jain                    | 6,75,000               | 6.29                     | 6,75,000               | 6.29                     |

(f) The aggregate shareholding of the promoters and promoter group as on

|   | As At 31st March, 2022   |                          |                                | As At 31st March, 2021 |                          |                                |
|---|--------------------------|--------------------------|--------------------------------|------------------------|--------------------------|--------------------------------|
|   | No. of Shares<br>Held    | Percentage of<br>Holding | % Change<br>during the<br>year | No. of Shares<br>Held  | Percentage of<br>Holding | % Change<br>during the<br>year |
|   | <b>A. Promoter</b>       |                          |                                |                        |                          |                                |
| Sh. Hemant Jain   | 13,15,200                | 12.25                    | -                              | 13,15,200              | 12.25                    | -                              |
| Sh. Kamal Jain  | 13,14,750                | 12.24                    | -                              | 13,14,750              | 12.24                    | -                              |
| Sh. Pushp Jain  | 13,15,050                | 12.25                    | -                              | 13,15,050              | 12.25                    | -                              |
| Sh. K. L. Jain  | 9,75,000                 | 9.08                     | -                              | 9,75,000               | 9.08                     | -                              |
| Smt. Sushila Jain                                       | 6,75,000                 | 6.29                     | -                              | 6,75,000               | 6.29                     | -                              |
|   | <b>B. Promoter Group</b> |                          |                                |                        |                          |                                |
| Siddhart Jain   | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Master Harsh Jain (through his guardian Mr. Pushp Jain) | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Ms. Harshita Jain (through his guardian Mr. Pushp Jain) | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Karan Jain  | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Chetan Jain   | 1,500                    | 0.01                     | -                              | 1,500                  | 0.01                     | -                              |
| Supreme E Solutions Private Limited                     | 5,24,280                 | 4.89                     | -                              | 5,24,280               | 4.89                     | -                              |
| Times Technosoft Private Limited                        | 4,50,000                 | 4.19                     | -                              | 4,50,000               | 4.19                     | -                              |
| Prihvi Sound Product Company Private Limited            | 46,448                   | 0.43                     | -                              | 46,448                 | 0.43                     | -                              |





**K L J Resources Limited**  
 Regd. Office: 8, Camac Street, Kolkata-700017

Notes to Consolidated Financial Statements as at 31st March 2022

|           |   | (Rupees in Lakhs)         |                           |
|-----------|---|---------------------------|---------------------------|
|           |   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
| <b>16</b> | <b>OTHER EQUITY</b>   |                           |                           |
| a)        | <b>Securities Premium Account</b>   |                           |                           |
|           | Balance as per last financial statements  | 3,819.60                  | 3,819.60                  |
|           | Closing Balance   | <u>3,819.60</u>           | <u>3,819.60</u>           |
| b)        | <b>Capital Reserves</b>   |                           |                           |
|           | Balance as per last financial statements  | 396.76                    | 416.89                    |
|           | Add: Exchange fluctuation on investment with foreign subsidiary                             | 25.58                     | (20.13)                   |
|           | Closing Balance   | <u>422.34</u>             | <u>396.76</u>             |
| c)        | <b>Retained Earnings</b>  |                           |                           |
|           | Balance as per last financial statements  | 59,749.43                 | 38,816.96                 |
|           | Add: Profit for the year  | 19,600.61                 | 20,959.32                 |
|           | Less: Dividend (Including Tax)  | 26.85                     | 26.85                     |
|           | Net Surplus in the statement of profit and loss   | <u>79,323.20</u>          | <u>59,749.43</u>          |
| d)        | <b>Other Comprehensive Income</b>   |                           |                           |
|           | Balance as per last financial statements  | 1,790.04                  | 1,473.12                  |
|           | Add: Adjustment of Planned Assets (Gratuity)  | 17.74                     | 12.55                     |
|           | Add: Fair Value of Investment   | 514.45                    | 362.41                    |
|           | Add: Exchange Fluctuation Difference  | 117.22                    | (58.04)                   |
|           | Net Balance of Other Comprehensive Income   | <u>2,439.45</u>           | <u>1,790.04</u>           |
|           |   | <u>86,004.59</u>          | <u>65,755.84</u>          |
| <b>17</b> | <b>BORROWINGS-NON-CURRENT</b>   |                           |                           |
|           | <b>Secured</b>  |                           |                           |
|           | Vehicle Loan  |                           |                           |
|           | Secured with HDFC Bank Ltd. by Hypothecation of Vehicle                                     | 36.75                     | 70.41                     |
|           | Repayable in monthly installments in next 17 months   | -                         | 4.36                      |
|           | Secured with Corporation Bank Ltd. by Hypothecation of Vehicle                              | 36.75                     | 74.77                     |
|           |   | 25.51                     | 33.66                     |
|           | Less Current Maturity of Long Term Borrowings   | <u>11.24</u>              | <u>41.11</u>              |
|           |   |                           | 944.79                    |
|           | <b>Term Loan</b>  |                           |                           |
|           | (Secured by equitable mortgaged on Immovable properties at DLF Magnolias, gurgaon, Haryana) |                           |                           |
|           | <b>Unsecured</b>  |                           |                           |
|           | Others  | 62.18                     | 610.61                    |
|           |   | <u>73.42</u>              | <u>1,596.71</u>           |
| <b>18</b> | <b>LEASE LIABILITIES-NON-CURRENT</b>  |                           |                           |
|           | Lease Liability *   | 515.98                    | 464.99                    |
|           | * refer note no. 58 for lease liability   | <u>515.98</u>             | <u>464.99</u>             |
| <b>19</b> | <b>PROVISIONS-NON-CURRENT</b>   |                           |                           |
|           | Provisions for employee benefits  |                           |                           |
|           | Ex-Gratia   | 117.22                    | 99.55                     |
|           | Gratuity  | 120.73                    | 123.18                    |
|           |   | <u>237.95</u>             | <u>222.73</u>             |
| <b>20</b> | <b>OTHER NON CURRENT LIABILITIES</b>  |                           |                           |
|           | Security Deposits   | 70.82                     | 128.20                    |
|           |   | <u>70.82</u>              | <u>128.20</u>             |







Notes to Consolidated Financial Statements as at 31st March 2022

|   | (Rupees in Lakhs)         |                           |
|---|---------------------------|---------------------------|
|   | As At<br>31st March, 2022 | As At<br>31st March, 2021 |
| <b>21 BORROWINGS-CURRENT</b>  |                           |                           |
| <b>Secured</b>  |                           |                           |
| From Banks:   |                           |                           |
| Cash Credit Facilities*   | 7,115.13                  | 5,787.54                  |
| Buyer's Credit in Foreign Currency*                                     | -                         | 8,010.95                  |
|   | <u>7,115.13</u>           | <u>11,798.49</u>          |
| <b>Unsecured</b>  |                           |                           |
| Loans   | 135.37                    | 231.43                    |
| Related Parties   | 128.79                    | -                         |
| Others than Related Parties   | <u>264.16</u>             | <u>231.43</u>             |
|   | 25.51                     | 277.61                    |
| Current Maturity of Long Term Borrowings                                | <u>25.51</u>              | <u>277.61</u>             |
|   | <u>7,404.80</u>           | <u>12,307.53</u>          |
| *Refer note no. 42 for Bank Borrowings*                                 |                           |                           |
| <b>22 LEASE LIABILITIES</b>   | 154.87                    | 49.12                     |
| Current Maturity of Long Term Lease Liability                           | <u>154.87</u>             | <u>49.12</u>              |
| *refer note no. 58 for lease liability*                                 |                           |                           |
| <b>23 TRADE PAYABLES</b>  | 49.52                     | 47.95                     |
| a) dues of micro enterprises and small enterprises                      |                           |                           |
| b) dues of creditors other than micro enterprises and small enterprises | 2,549.37                  | 878.75                    |
| Related Parties   | 57,830.34                 | 44,813.26                 |
| Others  |                           |                           |
| c) disputed   |                           |                           |
| dues of micro enterprises and small enterprises                         |                           |                           |
| Others  | <u>60,429.23</u>          | <u>45,739.96</u>          |
| *Refer note no. 47 for MSME Disclosure*                                 |                           |                           |
| *Refer note no. 46 for Trade payable Aging*                             |                           |                           |
| <b>24 OTHER FINANCIAL CURRENT LIABILITIES</b>                           |                           |                           |
| Interest accrued  | -                         | 0.36                      |
|   | <u>-</u>                  | <u>0.36</u>               |
| <b>25 OTHER CURRENT LIABILITIES</b>                                     |                           |                           |
| Statutory Liabilities   | 537.81                    | 282.80                    |
| Advances From Customers   | 3,004.89                  | 4,332.25                  |
| Other Payables  | <u>3,158.81</u>           | <u>1,192.12</u>           |
|   | <u>6,699.50</u>           | <u>5,786.96</u>           |
| <b>26 PROVISIONS</b>  |                           |                           |
| Provisions for employee benefits Gratuity                               | 22.43                     | 17.48                     |
|   | <u>22.43</u>              | <u>17.48</u>              |





Notes to Consolidated Financial Statements for the Year Ended 31st March 2022

|  | Year Ended<br>31st March, 2022 | (Rupees in Lakhs)<br>Year Ended<br>31st March, 2021 |
|--|--------------------------------|---|
| <b>27 REVENUE FROM OPERATIONS</b>            |                                |   |
| Sale from Trading Concern                    | 3,55,566.88                    | 2,22,747.29   |
| Sale from Manufacturing Concern              | 12,125.72                      | 9,093.42  |
| Other Operating revenues                     | 801.73                         | 635.26  |
|  | <u>3,68,494.33</u>             | <u>2,32,475.97</u>                                  |
| <b>28 OTHER INCOME</b>                       |                                |   |
| Interest on FDRs                             | 204.81                         | 182.97  |
| Interest on Right-of-use Assets              | 2.55                           | 1.06  |
| Interest Other's                             | 1,447.89                       | 616.00  |
| Rent   | 316.54                         | 414.08  |
| Bad Debts Recovery (Net of Write off)        | -                              | 19.00   |
| Profit on Sale of Shares & Mutual Fund (Net) | 163.32                         | 559.73  |
| Dividend                                     | 13.88                          | 30.18   |
| Profit/(Loss) on Sale of Fixed Assets        | (281.87)                       | (133.87)  |
| Misc. Income                                 | 55.49                          | 184.33  |
|  | <u>1,922.61</u>                | <u>1,873.47</u>                                     |





Notes to Consolidated Financial Statements for the Year Ended 31st March 2022

|   | Year Ended<br>31st March, 2022 | (Rupees in Lakhs)<br>Year Ended<br>31st March, 2021 |
|---|--------------------------------|---|
| <b>29 COST OF MATERIAL CONSUMED</b>                                     |                                |   |
| Opening Stock   | 403.18                         | 519.81  |
| Add: Purchases  | 10,604.44                      | 7,319.72  |
|   | 11,007.62                      | 7,839.53  |
| Less: Closing Stock   | 490.80                         | 403.18  |
|   | <u>10,517.02</u>               | <u>7,436.35</u>                                     |
| <b>30 PURCHASE OF STOCK-IN-TRADE</b>                                    |                                |   |
| Purchase of Traded Goods  | 3,09,934.40                    | 2,15,763.87   |
| Import Expenses   | 9,995.23                       | 7,206.37  |
| Foreign Exchange Fluctuation Effect                                     | 899.17                         | (1,130.26)  |
|   | <u>3,20,828.81</u>             | <u>2,21,839.98</u>                                  |
| <b>31 CHANGES IN INVENTORIES OF FINISHED GOODS &amp; STOCK-IN-TRADE</b> |                                |   |
| Opening Stock   |                                |   |
| Traded Goods  | 56,800.26                      | 28,196.38   |
| Finished Goods  | 124.60                         | 170.36  |
|   | <u>56,933.86</u>               | <u>28,368.74</u>                                    |
| Less : Closing Stock  |                                |   |
| Traded Goods  | 53,248.34                      | 56,809.26   |
| Finished Goods  | 245.20                         | 124.80  |
|   | <u>53,493.54</u>               | <u>56,933.86</u>                                    |
|   | <u>3,440.32</u>                | <u>(28,565.12)</u>                                  |
| <b>32 EMPLOYEE BENEFITS EXPENSES</b>                                    |                                |   |
| Salaries & Wages *  | 4,314.63                       | 2,127.62  |
| Contribution to Provident and other funds                               | 87.56                          | 75.40   |
| Staff Welfare Expenses  | 44.18                          | 40.94   |
|   | <u>4,446.37</u>                | <u>2,243.96</u>                                     |

\* Included Managerial Remuneration Rs. 2723.45 Lakhs (FY Rs.818.20Lakhs)





|  | Year Ended<br>31st March, 2022 | (Rupees in Lakhs)<br>Year Ended<br>31st March, 2021 |
|--|--------------------------------|---|
| <b>33 FINANCE COST</b>   |                                |   |
| Interest Paid  | 422.78                         | 484.48  |
| Bank Charges & Commission  | 230.83                         | 213.88  |
| Interest on Right-of-use Liability<br>"Refer note no. 58 for Lease Liability"  | 63.08                          | 22.47   |
|  | <u>716.58</u>                  | <u>720.81</u>                                       |
| <b>34 OTHER EXPENSES</b>   |                                |   |
| Rent   | 51.87                          | 42.30   |
| Rates & Taxes / Fees   | 58.19                          | 15.78   |
| Repairs & Maintenance  | 88.02                          | 90.18   |
| Insurance Expenses   | 2.04                           | 8.49  |
| Power, Electricity & Water   | 46.36                          | 29.02   |
| Consumable Stores, Spares Parts Consumed   | 1.59                           | 1.42  |
| Telephone & Mobile   | 17.55                          | 12.68   |
| Postage & Courier Charges  | 10.68                          | 6.31  |
| Printing, Stationery & Computer expenses   | 18.91                          | 13.42   |
| Travelling and Conveyance  | 113.91                         | 78.44   |
| Vehicle Running & Maintenance  | 22.98                          | 22.10   |
| Cess Expenses  | -                              | 250.00  |
| Advertising & Publicity  | 0.41                           | 7.16  |
| Business Promotion   | 165.64                         | 73.12   |
| Brokerage & Commission   | 936.61                         | 572.09  |
| Reclassified Net Cumulative Loss/ (gain) on Investment in Equity Share Carried at<br>FVTOCI  | (32.66)                        | 21.27   |
| Export Expenses  | 0.50                           | 5.53  |
| Freight Expenses   | 1,811.35                       | 905.92  |
| Consultancy, Legal & Professional Fees   | 215.37                         | 149.31  |
| Membership & Subscriptions   | 53.50                          | 36.92   |
| Director Sitting Fee   | 2.24                           | 1.18  |
| Miscellaneous Expense  | 150.25                         | 108.08  |
| Bad Debts (Net)  | 84.58                          | 17.45   |
| CSR Expenses- Refer Note 50  | 254.33                         | 207.50  |
| Provision for Expected Credit Losses   | (3.00)                         | 13.00   |
| Provision for doubtful loan  | 381.18                         | -   |
| Auditor Remuneration- Refer Note 44  | 18.20                          | 15.10   |
|  | <u>4,271.89</u>                | <u>2,701.72</u>                                     |
| <b>35 OTHER COMPREHENSIVE INCOME</b>   |                                |   |
| The disaggregation of changes to OCI by each type of reserve in equity is shown below:   |                                |   |
| a) <u>Remeasurement of Defined benefit plans</u>   |                                |   |
| Items that will not be reclassified to Profit or Loss  | 23.71                          | 18.77   |
| Income Tax relating to items that will not be reclassified to Statement of Profit and Loss   | (5.97)                         | (4.22)  |
| b) <u>Exchange Fluctuation Difference</u>  | 117.22                         | -   |
| c) <u>Remeasurement of Fair Value Investment</u>   |                                |   |
| Items that will not be reclassified to Profit or Loss  | 703.35                         | 444.74  |
| Income Tax relating to items that will not be reclassified to Statement of Profit and Loss   | (163.85)                       | (103.61)  |
|  | <u>674.46</u>                  | <u>363.68</u>                                       |
| d) <u>Remeasurement of Fair Value Investment</u>   |                                |   |
| Items that will be reclassified subsequently to Profit or Loss   |                                |   |
| Net cumulative (gain)/loss reclassified to statement of profit and loss of investment in<br>equities carried at fair value through other comprehensive income              | (32.66)                        | 28.43   |
| Income Tax relating net cumulative gain reclassified to statement of profit and loss of<br>investment in equities carried at fair value through other comprehensive income | 7.81                           | (7.15)  |
|  | <u>(25.05)</u>                 | <u>21.28</u>  |

Actuarial Gain on Gratuity and increase in fair valuation of investments along with its tax component are recognised in other comprehensive income.





Note 36. Earnings per Share:

| Particulars                  | (Rupees in Lakhs)                  |                                    |
|------------------------------|------------------------------------|------------------------------------|
|                              | 31st March 2022<br>(Rs. per share) | 31st March 2021<br>(Rs. per share) |
| Basic EPS                    | 182.50                             | 195.15                             |
| From continuing operation    | -                                  | -                                  |
| From discontinuing operation | -                                  | -                                  |
| Diluted EPS                  | 182.50                             | 195.15                             |
| From continuing operation    | -                                  | -                                  |
| From discontinuing operation | -                                  | -                                  |

36.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

| Particulars   | (Rupees in Lakhs) |                 |
|---|-------------------|-----------------|
|   | 31st March 2022   | 31st March 2021 |
| Profit attributable to equity holders of the Group:                           |                   |                 |
| Continuing operations   | 19,600.61         | 20,959.32       |
| Discontinuing operations  | -                 | -               |
| Earnings used in calculation of Basic Earning Per Share                       | 19,600.61         | 20,959.32       |
| Weighted average number of shares for the purpose of basic earnings per share | 107,40,000        | 107,40,000      |

36.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

| Particulars  | (Rupees in Lakhs) |                 |
|--|-------------------|-----------------|
|  | 31st March 2022   | 31st March 2021 |
| Profit attributable to equity holders of the Group:                                  |                   |                 |
| Continuing operations  | 19,600.61         | 20,959.32       |
| Discontinuing operations   | -                 | -               |
| Earnings used in calculation of diluted Earning Per Share from continuing operations | 19,600.61         | 20,959.32       |

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

| Particulars  | 31st March 2022  |            | 31st March 2021 |            |
|--|--|------------|-----------------|------------|
|  | Weighted average number of Equity shares used in calculation of basic earnings per share | 107,40,000 |                 | 107,40,000 |
| Effect of dilution:  |  |            |                 |            |
| Share Options  | -  |            | -               |            |
| Weighted average number of Equity shares used in calculation of diluted earnings per share | 107,40,000   |            | 107,40,000      |            |

Note 37. Employee Benefit Obligation

The Group obtained reports as required by Ind AS 19 (Employee Benefits) based on which disclosures have been made in the financial statement for the year ended March, 31 2022. The disclosures as required by the Ind AS 19 are as below.

Defined Benefit Plan

Gratuity

The Group makes annual contributions to an income tax approved irrevocable trust gratuity fund to finance the plan liability, a funded defined benefit plan for qualifying employees.

Actuarial Assumptions

| Particulars                | 31st March 2022 | 31st March 2021 |
|----------------------------|-----------------|-----------------|
| i) Discounting Rate        | 7.10%           | 6.80%           |
| ii) Future Salary Increase | 6.00%           | 6.00%           |

| Particulars   | 31st March 2022        | 31st March 2021        |
|---|------------------------|------------------------|
| Retirement Age (Years)                                | 60                     | 60                     |
| Mortality rates inclusive of provision for disability | 100% of IALM (2012-14) | 100% of IALM (2012-14) |

| Attrition at Ages   | Withdrawal Rate | Withdrawal Rate |
|---------------------|-----------------|-----------------|
| Up to 30 Years      | 3.00%           | 3.00%           |
| From 31 to 44 years | 2.00%           | 2.00%           |
| Above 44 years      | 1.00%           | 1.00%           |

Balance Sheet and related analysis

| Particulars                                   | 31st March 2022 | 31st March 2021 |
|---|-----------------|-----------------|
| Present Value of the obligation at end        | 143.15          | 140.88          |
| Fair value of plan assets                     | 214.13          | 167.27          |
| Unfunded Liability/provision in Balance Sheet | 70.98           | 46.61           |

The amounts recognized in the income statement

| Particulars                                | 31st March 2022 | 31st March 2021 |
|--|-----------------|-----------------|
| Total Service Cost                         | 16.51           | 15.51           |
| Net Interest Cost                          | (3.17)          | (1.43)          |
| Expense recognized in the Income Statement | 13.34           | 14.08           |

Other Comprehensive Income (OCI)

| Particulars   | 31st March 2022 | 31st March 2021 |
|---|-----------------|-----------------|
| Net cumulative unrecognized actuarial gain/(loss) opening | -               | -               |
| Actuarial gain / (loss) for the year on PBO               | 23.59           | 16.55           |
| Actuarial gain / (loss) for the year on Asset             | 0.13            | 0.12            |
| Unrecognized actuarial gain/(loss) at the end of the year | 23.71           | 16.77           |





|  |         |         |
|--|---------|---------|
| Change in Not Defined Benefit Obligation                 | (46.61) | (21.01) |
| Net defined benefit liability at the start of the period | -       | -       |
| Acquisition adjustment                                   | 16.51   | 15.51   |
| Total Service Cost                                       | (3.17)  | (1.43)  |
| Net interest cost (income)                               | (23.71) | (16.77) |
| Re-measurements  | (14.00) | (22.91) |
| Contribution paid to the Fund                            | -       | -       |
| Benefit paid directly by the enterprise                  | (70.98) | (46.61) |
| Net defined benefit liability at the end of the period   |         |         |

**Sensitivity Analysis of the defined benefit obligation**

|  |        |        |
|--|--------|--------|
| a) Impact of the change in discount rate             |        |        |
| Present Value of Obligation at the end of the period | 143.15 | 140.66 |
| Impact due to increase of 0.50%                      | (6.86) | (7.24) |
| Impact due to decrease of 0.50 %                     | 7.45   | 7.87   |
| Impact of the change in salary increase              |        |        |
| Present Value of Obligation at the end of the period | 143.15 | 140.66 |
| Impact due to increase of 0.50%                      | 6.59   | 7.90   |
| Impact due to decrease of 0.50 %                     | (5.09) | (7.33) |

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

**Note 38. Investment Properties**

**(I) Lease Arrangements**

The Group has various premises under operating lease arrangements. These are cancellable and range between 11 months to 5 years which are renewable by mutual consent on mutually agreeable terms. The Group has taken interest free security deposit under certain agreements.

**(II) Amount recognised in profit or loss for investment properties**

|                                   |        |        |
|-----------------------------------|--------|--------|
| Rental income                     | 316.54 | 377.74 |
| Depreciation                      | 147.11 | 30.62  |
| Rental Expenses                   | 2.04   | 0.84   |
| Profit from investment properties | 167.39 | 346.28 |

**(III) Estimation of fair value**

a) The group has two properties that have been considered as Building under investment properties. The fair value of the leased properties is estimated at Rs. 8847 lakhs. The fair valuation is based on valuation report by the approved valuers.

Immovable Property held for rental income and capital appreciation classified as investment property as per Ind AS 40.

b) The group has certain piece of land that have been considered as Land under investment properties. The fair value of the properties is estimated at Rs. 1505 lakhs. The fair valuation is based on valuation report by the approved valuers..

**Fair value hierarchy:**

The fair value of investment property has been determined on the basis of valuation report by the approved valuers.

The fair value measurement for all of the investment property has been categorised as a level 1 fair value based on the inputs to the valuation techniques used. The company has not earned any rental income on the above properties.

**Note 39. Intangible Assets under development**

**Intangible assets under development ageing as on 31st Mar 2022**

(Rupees in Lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |          |          |                  | Total |
|-------------------------------------|---|----------|----------|------------------|-------|
|                                     | Less than 1 year  | 1-2 year | 2-3 Year | More than 3 Year |       |
| Projects in progress                | -   | -        | -        | -                | -     |
| Total                               | -   | -        | -        | -                | -     |

**Intangible assets under development ageing as on 31st Mar 2021**

(Rupees in Lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |          |          |                  | Total |
|-------------------------------------|---|----------|----------|------------------|-------|
|                                     | Less than 1 year  | 1-2 year | 2-3 Year | More than 3 Year |       |
| Projects in progress                | -   | 16.66    | -        | -                | 16.66 |
| Total                               | -   | 16.66    | -        | -                | 16.66 |

**Note 40. Loans and Advances etc.**

Balances in Loans and advances, Receivables / Recoverable, Advance from Customers, Sundry Creditors and Sundry Debtors etc. are subject to reconciliation, confirmation and consequential adjustments, if any.

In the opinion of the management, the value of Current Assets, Loans and Advances, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet, except unless stated otherwise. The Provision for all known Liability is adequate and not in excess of the amount considered reasonably necessary.

**Note 41. Loans and Advances - Repayable on Demand**

Loans or Advances in the nature of loans have been granted to related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment are as follows

(Rupees in Lakhs)

| Type of Borrower | 31st March 2022   |   | 31st March 2021   |   |
|------------------|---|---|---|---|
|                  | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Related Parties  | -   | -   | -   | -   |
| Promoters        | -   | -   | -   | -   |
| KMPs             | -   | -   | -   | -   |
| Directors        | -   | -   | -   | -   |
| Total            | -   | -   | -   | -   |





**Note 42. Borrowing from Banks**

**Credit Facilities are secured as under:**

The facilities are secured by the first charge on pan passu basis with all banks in Consortium on stocks in trade and the entire current assets including goods in transit and Book Debts and Receivables. Further the loans are collateralized by the guarantees of promoter directors/group concern and some additional properties owned by the company/directors' relatives/group concerns. In respect of Buyer's Credit, Indian Bankers have given guarantee to foreign banks.

The Company has borrowings from banks or financial institutions on the basis of security of current assets, the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account.

| Name of the Bank    | Limit         |                |               | Charge Amount |
|---------------------|---------------|----------------|---------------|---------------|
|                     | Fund Based    | Non Fund Based | Total         |               |
| State Bank of India | 65.00         | 225.00         | 290.00        | 613.8         |
| HDFC                | 25.00         | 94.80          | 119.80        |               |
| PNB                 | 20.00         | 40.00          | 60.00         |               |
| AXIS                | 15.00         | 79.00          | 94.00         |               |
| KOTAK               | 5.00          | 45.00          | 50.00         |               |
| <b>TOTAL</b>        | <b>130.00</b> | <b>483.80</b>  | <b>613.80</b> |               |
| ADDITIONAL CHARGE   |               |                |               |               |
| Name of the Bank    | Limit         |                |               | Charge Amount |
|                     | Fund Based    | Non Fund Based | Total         |               |
| AXIS                | -             | 56.00          | 56.00         | 56.00         |
| ICICI Bank          | -             | 60.00          | 60.00         | 120.00        |
| KOTAK               | -             | 40.00          | 40.00         | 40.00         |
| <b>TOTAL</b>        | <b>-</b>      | <b>156.00</b>  | <b>156.00</b> | <b>216.00</b> |

**Note 43. Commitments, Contingent Liabilities and Contingent Assets**

**43.1 Capital Commitments :** As at 31st March, 2022 Rs. Nil and 31st March, 2021 Rs. Nil

**43.2. Contingent Liabilities & Contingent Asset**

i) Contingent Liabilities and Contingent Assets, as defined in Ind AS 37 on "Provisions on Contingent Liabilities and Contingent Assets", are discussed below. Provision is made, if it becomes probable that an outflow of future economic benefits will be required for the item previously dealt with as Contingent Liability.

| Particulars     | (Rupees in Lakhs)     |                       |
|-----------------|-----------------------|-----------------------|
|                 | As at 31st March 2022 | As at 31st March 2021 |
| Bank Guarantees | 250.00                | -                     |

ii) It is not practical of the company to estimate the timing of cash outflow if any in respect of above stated contingent liabilities.

iii) Company does not expect any reimbursement from third party in respect of these contingent liabilities.

**In case of foreign subsidiary**

The Group has working capital facilities (WCF) from ICICI Bank Limited (DIFC Branch), Dubai, UAE. The WCF are comprising of fund based facilities in the form of working capital demand loan increased to USD 10.0 million in current year from USD 5.0 million in previous year with non-fund based sub limit of letter of credit of USD 10.0 million (2020-21: USD 5.0 million) and stand by letter of credit of USD 3.0 million (2020-21: USD 5.0 million). As per amendment novation agreement dated December 30, 2021, the novation of loan agreement entered between company, ICICI Bank Limited (DIFC Branch), Dubai (Transferee) and ICICI Bank Limited, Bahrain Branch (Transferor) in which transferor agreed to re-transfer its entire rights and obligations (including in respect of the Debt and the Commitment) under the master facility agreement in respect of KLJ Resources DMCC to Transferee.

**The facilities are secured by :**

- Undated cheques equivalents to the Facility amount and 6 months interest to be provided as payment instrument ;
- Corporate Guarantee of the KLJ Resources Limited (Parent/Holding Company) up to 110.0 % of the Facility amount;
- Personal Guarantee of Mr. Hemant Jain (Promoter/Director);
- Designation of the Bank as first loss payee in the risk insurance policies of the Group on a pari passu basis;
- Subordination of KLJ Resources Ltd's current account with the borrower.

ii) It is not practical of the company to estimate the timing of cash outflow if any in respect of above stated contingent liabilities.

iii) Group does not expect any reimbursement from third party in respect of these contingent liabilities.

**Note 44. Break Up of Auditors Remuneration**

| Particulars                   | (Rupees in Lakhs) |                 |
|-------------------------------|-------------------|-----------------|
|                               | 31st March 2022   | 31st March 2021 |
| Payment to Statutory Auditors |                   |                 |
| - Audit Fee                   | 10.39             | 9.10            |
| - Certification Work          | 1.30              | 1.00            |
| Payment to Tax Auditors       | 0.50              | 0.50            |
| Payment to Cost Auditors      | 2.00              | 1.50            |
| Payment to Internal Auditors  | 4.00              | 3.00            |
|                               | <b>18.19</b>      | <b>15.10</b>    |

**Note 45. Detail of Unhedged Foreign currency exposures are as under:**

| Particulars                        | (Rupees in Lakhs)     |                       |
|------------------------------------|-----------------------|-----------------------|
|                                    | As at 31st March 2021 | As at 31st March 2021 |
| Un-hedged Foreign Currency Payable | 54,545.41             | 44,031.52             |

Note 46. No amounts are due for deposits at the Balance Sheet date to the investor Education and Protection Fund.

**Note 47. MSME Disclosure**

The company has not received confirmations from many suppliers regarding their status of registration under Micro, Small and Medium Enterprises Development Act, 2006 and as such, it is presumed that they are not registered under the Act. In case of supplier who have confirmed their MSME status following information is disclosed as per the Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

i. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :

| Particulars  | (Rupees in Lakhs)     |                       |
|--|-----------------------|-----------------------|
|  | As at 31st March 2022 | As at 31st March 2021 |
| Principal Unpaid as at 31st March, 2022                | 49.52                 | 47.95                 |
| Interest accrued thereon and Unpaid                    | NIL                   | NIL                   |
| <b>Total amount outstanding as at 31st March, 2022</b> | <b>49.52</b>          | <b>47.95</b>          |

ii) The amount of interest paid to the supplier in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:





|  |     |     |
|--|-----|-----|
| Principal paid beyond appointed day during the year  | NIL | NIL |
| Interest paid during the year  | NIL | NIL |
| ii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act; interest due and payable as at 31st March, 2022 | NIL | NIL |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; interest due and payable for the year ended 31st March, 2022   | NIL | NIL |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23    | NIL | NIL |

**Note 48. Trade Payable Ageing**

For trade payable outstanding as on 31st March 2022, following ageing schedule shall be given:

| Particular            | Outstanding for following periods from due date |          |          |                  | Total    |
|-----------------------|---|----------|----------|------------------|----------|
|                       | Less than 1 Year                                | 1-2 year | 2-3 Year | More than 3 Year |          |
| MSME                  | 49.52   | -        | -        | -                | 49.52    |
| Others                | 58951.76  | 3427.94  | -        | -                | 60379.71 |
| Disputed dues -MSME   | -   | -        | -        | -                | -        |
| Disputed dues -Others | -   | -        | -        | -                | -        |

For trade payable outstanding as on 31st March 2021, following ageing schedule shall be given:

| Particular            | Outstanding for following periods from due date |          |          |                  | Total    |
|-----------------------|---|----------|----------|------------------|----------|
|                       | Less than 1 Year                                | 1-2 year | 2-3 Year | More than 3 Year |          |
| MSME                  | 47.95   | -        | -        | -                | 47.95    |
| Others                | 42373.43  | 3318.37  | 0.21     | -                | 45692.01 |
| Disputed dues -MSME   | -   | -        | -        | -                | -        |
| Disputed dues -Others | -   | -        | -        | -                | -        |

**Note 49. Other Notes**

a) Value of Imports calculated on CIF Basis

| Particulars           | 31st March 2022 | 31st March 2021 |
|-----------------------|-----------------|-----------------|
| Materials (Chemicals) | 2,72,152.31     | 1,62,232.03     |

b) Expenditure in Foreign Currency during the Year

| Particulars                | 31st March 2022 | 31st March 2021 |
|----------------------------|-----------------|-----------------|
| Interest on LC financed    | 39.92           | 92.74           |
| Travelling & Tour          | 34.48           | 24.09           |
| Insurance                  | 2.05            | 5.11            |
| Business Promotion         | 4.78            | -               |
| Membership & Subscriptions | 15.60           | 6.50            |

c) Value of Raw Materials and Stores and Spares consumed during the Year Ended

| Particulars                | (Rupees in Lakhs) |                 | Percentage %    |                 |
|----------------------------|-------------------|-----------------|-----------------|-----------------|
|                            | 31st March 2022   | 31st March 2021 | 31st March 2022 | 31st March 2021 |
| Raw Materials Imported     | 2,734.74          | 2,201.27        | 26.00%          | 29.60%          |
| Indigenous                 | 7,782.28          | 5,235.09        | 74.00%          | 70.40%          |
| Total                      | 10,517.02         | 7,436.35        | 100.00%         | 100.00%         |
| Stores & Spares Indigenous | 1.59              | 1.42            | 100.00%         | 100.00%         |
| Total                      | 1.59              | 1.42            | 100.00%         | 100.00%         |

d) Earning in Foreign Exchange

| Particulars                                | 31st March 2022 | 31st March 2021 |
|--|-----------------|-----------------|
| Export of Goods calculated on F.O.B. basis | 41,991.56       | 18,199.65       |

**Note 50. Corporate Social Responsibility (CSR)**

a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs.252.53 Lakhs (Previous Year Rs.134.60 Lakhs)

b) Expenditure related to Corporate Social Responsibility is Rs.254.33 lakhs (Previous Year Rs.207.50 Lakhs)

| Particulars  | 31st March 2022 | 31st March 2021 |
|--|-----------------|-----------------|
| A. Amount required to be spent during the year                                       | 252.53          | 134.60          |
| (i) Gross amount (2% of average net profit as per Section 135 of Companies Act 2013) | 0.58            | -72.32          |
| (ii) Set off available from previous year  | 251.95          | 206.92          |
| (iii) Total CSR obligation for the year [(i)-(ii)]                                   | 254.33          | 207.50          |
| B. Amount approved by the Board to be spent during the year                          |                 |                 |
| C. Amount spent during the year on:  | 172.40          | 0.00            |
| a) Construction/acquisition of any asset   | 81.93           | 207.50          |
| b) On purposes other than (a) above  | 254.33          | 207.00          |
| Total  | 2.38            | 0.58            |
| D. Set off available for succeeding years  | -               | -               |
| E. Amount unspent during the year  | -               | -               |

Specify the reason(s), if the company has failed to spend the two percent of the average net profit as per section 135(5) Not Applicable

**Details of Related party Transaction**

| Sl.No. | Name of the Company            | Nature of transaction by the Company | 31st March 2022 | 31st March 2021 |
|--------|--------------------------------|--------------------------------------|-----------------|-----------------|
| 1      | KLJ Developers Private Limited | Payment made for acquisition of land | 64.00           | -               |

Detail of Amount spent towards CSR given below:

| Particulars                                    | 31st March 2022 | 31st March 2021 |
|--|-----------------|-----------------|
| Health (Construction/acquisition of assets)    | 172.40          | -               |
| Health ,Education & Skill Development Activity | 81.93           | 207.50          |
| Total  | 254.33          | 207.50          |







K L J Resources Limited

Regd. Office: 8 Camac Street Kolkata-700017

Note 51: Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

1 Enterprises where control exists:-

Subsidiaries:

Altamonte Townships and Resorts Pvt. Ltd.  
Brokenhills Townships and Resorts Pvt. Ltd.  
Springdale Townships and Resorts Pvt. Ltd.  
Valley View Townships Pvt. Ltd.  
KLJ Resources DMCC  
AK Buildtech Pvt. Ltd.  
Sachok Real Estate Pvt. Ltd.  
KLJ Speciality Chemicals Pvt Limited  
KLJ Resources PTE Limited (Subsidiary of KLJ Resources DMCC)

2 Other related parties with whom the company had transactions:-

a) Associates:

Hamiog Plastic Goods Pvt. Ltd.  
KLJ Organic (Thailand) Ltd. (Associate of KLJ Resources DMCC)

b) Others (Group Concern):

KLJ Plasticizers Limited  
KLJ Organic Ltd.  
Prithvi Sound Products Co. Pvt Ltd.  
KLJ Polymers & Chemicals Ltd.  
HH Buildtech Pvt. Ltd.  
Inspiration Dealers Pvt. Ltd.  
Hamiog Traders Pvt. Ltd.  
KLJ Developers Private Limited  
D M Realty Developers Pvt. Ltd.  
High Eximetro Pvt. Ltd.

c) Key Management Personnel:

|                         |                         |
|-------------------------|-------------------------|
| Sh. Hemant Jain         | Managing Director       |
| Sh Ajai Kumar Gupta     | Company Secretary       |
| Sh. Suresh Chand Jethar | Chief Financial Officer |
| Sh. Dilip Kumar Kam     | Director                |
| Sh Ram Prakash Mekan    | Director                |
| Sh. Ranjeet Ray Banthia | Director                |
| Ms Kalpana Sath         | Director                |

d) Relatives of Key Management Personnel:

Ms Neetu Jain Sr. Manager (Business Development)





Note 51: Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

| S.No.                                  | Nature of Transaction                      | Name of Related Parties   | Relationship   | 31st March, 2022   | 31st March, 2021  |
|--|--|---|--|--|---|
|  |  |   |  | (Rupees in Lakhs)  |   |
| <b>a) Transactions during the year</b> |  |   |  |  |   |
| 1                                      | Purchases                                  | KLJ Plasticizers Limited,<br>KLJ Organic Ltd. Qatar W.L.L.<br>High Eximpetro Pvt. Ltd.<br>KLJ Organic Ltd.            | Group Concern<br>Group Concern<br>Group Concern<br>Group Concern   | 3,153.15<br>26,365.78<br>5,370.44<br>8,309.37<br>43,198.74 | 1,814.27<br>11,737.71<br>3,802.69<br>1,285.04<br>3,099.32 |
| 2                                      | Sales                                      | KLJ Plasticizers Limited,<br>High Eximpetro Pvt. Ltd.<br>KLJ Organic Ltd.   | Group Concern<br>Group Concern<br>Group Concern  | 2,182.91<br>1,915.39<br>6,170.03<br>10,268.33              | 1,909.81<br>-<br>6,066.99<br>7,976.80                     |
| 3                                      | Rent Paid                                  | KLJ Polymers & Chemicals Ltd.<br>KLJ Plasticizers Limited,<br>HH Buildtech Pvt. Ltd.<br>Inspiration Dealers Pvt. Ltd. | Group Concern<br>Group Concern<br>Group Concern<br>Group Concern   | 8.50<br>14.16<br>1.42<br>-<br>24.07                        | 8.50<br>14.16<br>1.42<br>5.31<br>29.39                    |
| 4                                      | Rent Received                              | KLJ Developers Private Limited<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern   | -<br>-<br>-  | 19.81<br>94.86<br>114.67                                  |
| 5                                      | Maintenance Paid                           | D M Realty Developers Pvt. Ltd.   | Group Concern  | -  | 5.89<br>5.89  |
| 6                                      | Reimb. of Exp. Paid                        | KLJ Organic Ltd.<br>High Eximpetro Pvt. Ltd.<br>KLJ Plasticizers Limited.   | Group Concern<br>Group Concern<br>Group Concern  | 26.01<br>5.06<br>0.79<br>31.86                             | 2.42<br>-<br>261.41<br>263.83                             |
| 7                                      | Reimb. of Exp. Recd                        | KLJ Organic Ltd.<br>KLJ Plasticizers Limited.   | Group Concern<br>Group Concern   | 58.45<br>18.75<br>77.20                                    | 44.94<br>27.11<br>71.95                                   |
| 8                                      | Interest Paid                              | Sh. Hemant Jain<br>D M Realty Developers Pvt. Ltd.  | Managing Director<br>Group Concern   | 10.47<br>4.22<br>14.69                                     | 31.53<br>-<br>31.53                                       |
| 9                                      | CSR Expenditure                            | KLJ Developers Private Limited  | Group Concern  | 54.00<br>54.00   | -<br>-  |
| 10                                     | Remuneration<br>(Key Managerial Personnel) | Sh. Hemant Jain<br>Sh. Suresh Chand Jaitner<br>Sh. Ajai Kumar Gupta<br>Ms Neetu Jain                                  | Managing Director<br>Chief Financial Officer<br>Company Secretary<br>Sr. Manager ( Business Development) | 2,723.45<br>26.86<br>13.86<br>20.00<br>2,784.19            | 818.21<br>21.44<br>13.46<br>19.99<br>873.11               |
| 11                                     | Director Sitting Fees                      | Sh. Dilip Kumar Karn<br>Sh Ram Prakash Maken<br>Sh. Ranjeet Ray Banthia<br>Ms Kalpana Datta                           | Director<br>Director<br>Director<br>Director   | 0.32<br>0.80<br>0.80<br>0.32<br>2.24                       | 0.24<br>0.35<br>0.35<br>0.24<br>1.18                      |
| 12                                     | Unsecured Loan Taken                       | Sh. Hemant Jain<br>D M Realty Developers Pvt. Ltd.  | Managing Director<br>Group Concern   | 435.00<br>125.00<br>560.00                                 | 679.00<br>-<br>679.00                                     |
| 13                                     | Unsecured Loan Repaid                      | Sh. Hemant Jain   | Managing Director  | 540.50<br>540.50   | 1,080.00<br>1,080.00                                      |



Note 51. Disclosures in respect of Indian Accounting Standard (Ind AS-24) 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended):

| S.No. | Nature of Transaction                            | Name of Related Parties   | Relationship   | 31st March, 2022                                    | 31st March, 2021                                |  |
|-------|--|---|--|---|---|--|
|       |  |   |  | (Rupees in Lakhs)                                   |   |  |
| b)    | <b>Outstanding Balance as at 31st March 2022</b> |   |  |   |   |  |
| 1     | Unsecured Loans Taken                            | Sh. Hemant Jain<br>D M Realty Developers Pvt. Ltd.                                  | Managing Director<br>Group Concern   | 135.37<br>128.79<br><b>264.16</b>                   | 231.44<br>-<br><b>231.44</b>                    |  |
| 2     | Trade Payables                                   | KLJ Plastics Limited.<br>KLJ Organic Ltd. Qatar W.L.L.<br>KLJ Organic Ltd.          | Group Concern<br>Group Concern<br>Group Concern  | 194.38<br>2,340.86<br>21.11<br><b>2,556.33</b>      | 279.17<br>-<br>-<br><b>279.17</b>               |  |
| 3     | Trade Receivables                                | KLJ Plastics Limited<br>KLJ Organic Ltd.  | Group Concern<br>Group Concern   | 428.70<br>1,602.01<br><b>2,040.71</b>               | 683.87<br>682.58<br><b>1,356.45</b>             |  |
| 4     | Rent Payable                                     | KLJ Polymers & Chemicals Ltd.   | Group Concern  | -   | 0.66<br><b>0.66</b>                             |  |
| 5     | Remuneration<br>(Key Managerial Personnel)       | Sh. Hemant Jain<br>Sh. Suresh Chand Jathar<br>Sh. Ajai Kumar Gupta<br>Ms Neetu Jain | Managing Director<br>Chief Financial Officer<br>Company Secretary<br>Sr. Manager ( Business Development) | 2,556.63<br>2.34<br>1.83<br>4.69<br><b>2,558.96</b> | 703.82<br>2.01<br>1.82<br>4.28<br><b>711.72</b> |  |





Note 52. Capital management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance. The capital structure of the company comprises of debt and total equity of the company.

Debt Equity Ratio

| Particulars                  | (Rupees in Lakhs)     |                       |
|------------------------------|-----------------------|-----------------------|
|                              | As at 31st March 2023 | As at 31st March 2021 |
| Borrowing (Note No. 17 & 21) | 7,478.22              | 13,904.24             |
| Short term debt              | 7,478.22              | 13,904.24             |
| Equity (Note No.15)          | 66,604.59             | 65,751.84             |
| Other equity (Note No.16)    | 66,604.59             | 65,751.84             |
| Total equity                 | 66,604.59             | 65,751.84             |
| Debt equity Ratio            | 0.23                  | 1.15                  |

Note 53. Fair Value measurements

(i) Financial Instruments by Category

| Particulars                 | As at 31st March, 2023 |           |                | As at 31st March, 2021 |          |                |
|-----------------------------|------------------------|-----------|----------------|------------------------|----------|----------------|
|                             | FVTPL                  | FVOCI     | Amortised Cost | FVTPL                  | FVOCI    | Amortised Cost |
| Financial Assets            | -                      | 10,873.07 | 1,282.02       | -                      | 3,883.19 | 1,838.73       |
| Investment                  | -                      | -         | 68,707.38      | -                      | -        | 46,286.81      |
| Trade Receivables           | -                      | -         | 10,632.20      | -                      | -        | 6,268.54       |
| Loans                       | -                      | -         | 7,148.43       | -                      | -        | 1,896.25       |
| Cash and Cash Equivalents   | -                      | -         | 3,906.75       | -                      | -        | 5,927.77       |
| Bank Balances               | -                      | -         | 412.87         | -                      | -        | 717.95         |
| Others                      | -                      | -         | 89,861.87      | -                      | -        | 63,247.60      |
| Total Financial Assets      | -                      | 10,873.07 | 89,861.87      | -                      | 3,883.19 | 63,247.60      |
| Financial Liabilities       | -                      | -         | 7,478.22       | -                      | -        | 13,904.24      |
| Borrowings                  | -                      | -         | 670.88         | -                      | -        | 514.11         |
| Lease liabilities           | -                      | -         | 60,425.23      | -                      | -        | 45,739.26      |
| Trade Payables              | -                      | -         | -              | -                      | -        | 0.36           |
| Others                      | -                      | -         | 66,878.31      | -                      | -        | 66,186.67      |
| Total Financial Liabilities | -                      | -         | 66,878.31      | -                      | -        | 66,186.67      |

i) The carrying amounts of trade receivables, trade payable, cash and cash equivalents and other short term receivables and payables which are due to be settled within 12 months are considered to be the same as their fair values, due to short term nature.

ii) Borrowings-Current are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount. As the amount is immaterial, no fair valuation is required.

iii) Non Current Loans given and Security Deposit have been continued at carrying value as measurement implication are immaterial.

iv) All investments other than subsidiary and associates are measured at fair value, with value changes recognized in Statement of Other Comprehensive Income.

(ii) Fair Value hierarchy

- Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets measured at Fair value -

| Particulars                                | (Rupees in Lakhs) |          |         | Total     |
|--|-------------------|----------|---------|-----------|
|  | Level 1           | Level 2  | Level 3 |           |
| Financial Assets                           | -                 | -        | -       | -         |
| Financial Assets at Fair Value through OCI | 6,984.82          | 3,888.25 | -       | 10,873.07 |
| Investment                                 | 6,984.82          | 3,888.25 | -       | 10,873.07 |

As at 31-03-2021

| Particulars                                | (Rupees in Lakhs) |          |         | Total    |
|--|-------------------|----------|---------|----------|
|  | Level 1           | Level 2  | Level 3 |          |
| Financial Assets                           | -                 | -        | -       | -        |
| Financial assets at Fair Value through OCI | 365.90            | 3,117.29 | -       | 3,883.19 |
| Investment                                 | 365.90            | 3,117.29 | -       | 3,883.19 |

(iii) Valuation techniques used to determine fair value

- a) Quoted investments have been valued based on market price quotation.
- b) Investment in Mutual Funds have been valued as per NAV declared on the balance sheet date.
- c) Investments in unquoted equity instruments are not held for trading. They are held for long term strategic purpose. The company has chosen to designate these investments at FVOCI, since it provides a more meaningful presentation.

d) The carrying amount of financial assets and liabilities other than investment are considered to be the same as their fair values.

e) Management uses its best judgment in estimating the fair value of its financial instruments. However, these are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realized or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) Financial risk management

The Company's principal financial liabilities comprise of Borrowings, Trade Payables and others. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include Trade Receivables, Loans, cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarised below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, and foreign currency risk.

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate. Company is not exposed to significant interest rate risk as all the financial instruments which are subject to interest risk are due to be settled within 12 months and carry fixed rate of interest.

iii) Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flow of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in US Dollar, Euro, AED on financial instruments at the end of the reporting period. The exposure to all other foreign currencies are not material.

| Particulars    | Foreign Currency Exposures |        |        |       |                        |        |        |       |
|----------------|----------------------------|--------|--------|-------|------------------------|--------|--------|-------|
|                | As at 31st March, 2023     |        |        |       | As at 31st March, 2021 |        |        |       |
|                | EURO                       | USD    | JPY    | AED   | EURO                   | USD    | JPY    | AED   |
| Borrowings     | -                          | -      | -      | 2.04  | -                      | 81.78  | -      | 30.44 |
| Trade Payables | 34.04                      | 708.33 | 855.01 | 48.52 | 34.04                  | 481.85 | 305.38 | 0.14  |
| Total          | 34.04                      | 708.33 | 855.01 | 50.56 | 34.04                  | 563.63 | 335.78 | 30.58 |

b) Credit risk

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





K L J Resources Limited  
Regd. Office: 8, Camas Street, Kolkata-700017

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement efforts to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss. The management has made adequate provisions towards doubtful advances in books of accounts and do not perceive any further credit risk in respect of loans and advances.

The Company has used a practical expedient by way of computing the expected credit loss for trade receivables based on provision matrix. The matrix also takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and rates as given in the provision matrix.

The provision matrix at the year end is as follows:

| Particulars          | Expected Credit loss (Percentage) |          |
|----------------------|-----------------------------------|----------|
|                      | FY 21-22                          | FY 20-21 |
| Ageing               | 0.00%                             | 0.00%    |
| 1-30 days            | 0.23%                             | 0.22%    |
| 30 days to 12 months | 1.78%                             | 1.74%    |
| More than 12 months  |                                   |          |

| Particulars          | As at 31st March, 22 |                      | As at 31st March, 21 |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|
|                      | Receivables          | Expected Credit loss | Receivables          | Expected Credit loss |
| 1-30 days            | 82,05,725            | -                    | 48,051,85            | -                    |
| 30 days to 12 months | 2,890,56             | 7,00                 | 2,878,00             | 7,00                 |
| More than 12 months  | 875,28               | 15,00                | 1,011,10             | 18,00                |

Provision for expected credit loss made in accordance with Ind AS 109 due to which there is change in Trade Receivable.

In Case of Foreign Subsidiary  
In determining the recoverability of trade receivables, the group considers any change in the credit quality of the trade receivable from the date the credit was initially granted upto the date of adoption of the accounts. Management has taken the current market conditions and payment received subsequent to the reporting date when assessing the credit quality of trade receivables. Accordingly, taking all of the above into account, no provision is required on account of doubtful trade receivables.

**ii) Other Financial Assets**

Company makes loans and advances out of its surplus funds to Corporates. In the past 5 years there is only incidence where Bad Debts have been written off. The Writeoff happened in FY 17-18 and Company is of the view that this is one of incident and management is of view that bad debts are not bound to recur again. Accordingly there is no need to create a Expected Credit loss provision for such Financial Assets. The management has made adequate provisions towards doubtful advances in books of accounts and do not perceive any further credit risk in respect of loans and advances.

**iii) Financial Instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the company's policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

**iv) Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation. The company's principal sources of liquidity are cash and cash equivalents, cash flow that is generated from operations and the borrowings from Directors and Banks. The company believes that the working capital is sufficient to meet its current requirements. Any short term surplus cash generated, over and above the amount require for working capital management and operational requirements, are given as interest bearing loans repayable on demand.

As at 31st March 2022 the company had working capital of Rs. 79,067.76 Lakhs including cash and bank Balances of Rs. 11,127.20 Lakhs.

As at 31st March 2021 the company had working capital of Rs. 56,112.91 Lakhs including cash and bank Balances of Rs. 7,023.03 Lakhs.

**Note 54 Segment Reporting**

| Particulars   | As at 31st March, 22 | As at 31st March, 21 |
|---|----------------------|----------------------|
| <b>Segment Revenue From Operation</b>                       | <b>3,24,408.57</b>   | <b>2,13,299.50</b>   |
| India   | 49,948.37            | 21,040.91            |
| Outside India   | 2,70,416.94          | 2,34,348.64          |
| <b>Total</b>  |                      |                      |
| <b>Segment Result PBT</b>                                   | <b>24,735.03</b>     | <b>27,057.07</b>     |
| India   | 1,877.77             | 1,541.48             |
| Outside India   | 26,812.80            | 28,898.86            |
| <b>Total</b>  | <b>716.98</b>        | <b>720.81</b>        |
| Less Finance Cost   | 25,896.12            | 27,877.74            |
| <b>Profit / (loss) before Tax</b>                           |                      |                      |
| <b>Capital Employed (Total Asset Minus Total Liability)</b> | <b>81,348.74</b>     | <b>63,854.78</b>     |
| India   | 5,728.85             | 3,875.05             |
| Outside India   | 87,078.89            | 64,829.84            |
| <b>Total</b>  |                      |                      |

**Note 55 Income Tax Expense**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

|  | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|-----------------------------|-----------------------------|
| Enacted income tax rate in India applicable to the Company                                 | 25.168%                     | 25.168%                     |
| Profit before tax  | 25,896.12                   | 27,877.74                   |
|  | 6,517.33                    | 7,016.27                    |
| Current tax expenses on Profit before tax expenses at the enacted income tax rate in India | 248.27                      | 202.18                      |
| Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income | (18.74)                     | (28.01)                     |
| Permanent Disallowances  | -                           | -                           |
| Deduction under section 24 of the Income Tax Act   | -                           | -                           |
| Interest income from Joint Venture on liability statement of compound financial instrument | (228.79)                    | (12.82)                     |
| Tax in respect of earlier years  | -                           | -                           |
| Income exempted from income taxes  | 43.96                       | -                           |
| Differential tax rate on capital gains   | 6.26                        | (219.80)                    |
| Other items  | 6,511.46                    | 6,037.89                    |
| Total income tax expense/(credit)  | 25.82                       | 34.89                       |

**Note 56. Disclosure pursuant to section 196(4) of the Companies Act 2013**

| Nature of the transaction (loans given/investment made/guarantees given/security provided) & Purpose | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| <b>(A) Loan and Advances: (Given for Business purpose)</b>   |                        |                        |
| 1. Headstart International Pvt. Ltd  | 144.39                 | 144.38                 |
| 2. Mansabera Tea Co Limited  | 236.79                 | 236.79                 |
| 3. Jagbir Singh Ahlawat  | -                      | 824.90                 |
| 4. Advance Chemicals   | -                      | 193.52                 |
| 5. Bhadani Financers Pvt. Ltd  | 9,930.95               | 5,186.34               |
| 6. Victor Chemicals India Pvt Ltd  | 101.25                 | -                      |
| <b>Total</b>   | <b>10,413.38</b>       | <b>6,385.94</b>        |
| <b>(B) Guarantees: (Given for Subsidiary's debt)</b>   |                        |                        |
|  | -                      | -                      |
| <b>(C) Investments made are disclosed under Note 3</b>   |                        |                        |
|  | -                      | -                      |

**Note 57. Disclosure pursuant to section 248 of the Companies Act 2013- Struck off the companies**

The company has no entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956





| Note 58. Leases                               | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| <b>i) Rights to use assets</b>                |                        |                        |
| <b>Particulars</b>                            | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Opening ROU recognised (net)                  | 510.64                 | 97.83                  |
| Add: Additions during the year                | 283.13                 | 479.52                 |
| Less: Depreciation during the year            | 151.80                 | 66.71                  |
| <b>Closing ROU recognised</b>                 | <b>641.97</b>          | <b>510.64</b>          |
| <b>ii) Lease Liability</b>                    |                        |                        |
| <b>Particulars</b>                            | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Opening Lease Liability                       | 514.11                 | 97.19                  |
| Add: Additions during the year                | 274.49                 | 469.39                 |
| Add: Interest Accrued during the year         | 63.08                  | 22.47                  |
| Less: Payment                                 | 180.82                 | 74.94                  |
| <b>Closing Lease Liability</b>                | <b>670.86</b>          | <b>514.11</b>          |
| <u>Breakup:</u>                               |                        |                        |
| Current Maturity of long term lease liability | 154.87                 | 49.12                  |
| Non Current lease liability                   | 515.98                 | 464.99                 |
| <b>iii) Security Deposit Paid</b>             |                        |                        |
| <b>Particulars</b>                            | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Opening Security Deposit                      | 23.91                  | 15.40                  |
| Add: Additions during the year                | (8.64)                 | (10.13)                |
| Add: Interest Income during the year          | 2.55                   | 1.07                   |
| Add: Payment                                  | 24.68                  | 17.57                  |
| <b>Closing Security Deposit</b>               | <b>42.50</b>           | <b>23.91</b>           |
| <b>iv) Cash Flow during the year</b>          |                        |                        |
| <b>Particulars</b>                            | (Rupees in Lakhs)      | (Rupees in Lakhs)      |
| Low value leases                              | 30.24                  | 4.02                   |
| Short term leases                             | 30.35                  | 62.70                  |

**v) Extension and termination options**

The Company has lease contracts for which are used for regular operations of its business. There are several lease contracts that include extension and termination options which are further discussed below.

The Company has several lease contracts that include extension and termination options which are used for regular operations of its business. These options are negotiated by management to provide flexibility in managing the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

**vi) Critical judgements in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

**vii) Discount Rate**

Discount rate at which the lease liability is recognised as on the initial application is 10%

**Note 59. Impact of COVID-19 pandemic**

**Impact of COVID-19 pandemic :** The spread of Covid-19 has severely affected the businesses around the globe. In many countries including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travel bans, quarantines and other emergency measures.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventories and Investments as at the Balance sheet date, and based on the internal and external information upto the date of approval of these financial statements including credit reports and economic forecasts, has concluded that no material adjustments are required to be made in the financial results.

In assessing the recoverability of receivables, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these consolidated financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company on the basis of its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by COVID-19. The Company has also considered the effect of changes, if any, in expected credit loss and is of the view that there shall be no impact. The management believes that it has considered all the possible impact of known events arising from Covid-19 global health pandemic in the preparation of financial results.

However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature, extent and duration. The management shall continue to monitor any material changes to future economic conditions on a continuing basis.





K. L. J Resources Limited  
Regd. Office: 8, Carnac Street, Kolkata-700017

Notes 80. Additional Information  
a. The list of subsidiaries and associates included in consolidation are mentioned below:

| Name  | COUNTRY OF INCORPORATION | PROPORTION OF OWNERSHIP INTEREST 31 <sup>st</sup> MARCH, 2022 | PROPORTION OF OWNERSHIP INTEREST 31 <sup>st</sup> MARCH, 2021 |
|---|--------------------------|---|---|
| Brokenshills Townships and Resorts Pvt. Ltd. (Subsidiary)         | India                    | 100%  | 100%  |
| Springdale Townships and Resorts Pvt. Ltd. (Subsidiary)           | India                    | 100%  | 100%  |
| KLJ Speciality Chemical Pvt. Ltd. (Subsidiary)                    | INDIA                    | 100%  | 0%  |
| Alamonia Townships and Resorts Pvt. Ltd. (Co-subsidiary)          | India                    | 100%  | 100%  |
| Valley View Townships Pvt. Ltd. (Subsidiary)                      | India                    | 100%  | 100%  |
| KLJ Resources DMCC (Foreign Subsidiary)                           | Dubai (UAE)              | 100%  | 100%  |
| KLJ Resources PTE Ltd. (Subsidiary of KLJ Resources DMCC)         | Singapore                | 100%  | 100%  |
| KLJ Organic (Thailand) Limited. (Associate of KLJ Resources DMCC) | Thailand                 | 27.84%  | 27.84%  |
| Sudook Real Estate Private Limited (Subsidiary)                   | India                    | 100%  | 100%  |
| AK Biotech Private Limited (Subsidiary)                           | India                    | 100%  | 100%  |
| Hambra Plastic Goods Pvt. Ltd. (Associate)                        | India                    | 24%   | 24%   |

b. Additional Information (as required by Sch.III of the Companies Act, 2013):

| NAME OF COMPANY   | NET ASSETS I.E. TOTAL ASSETS MINUS TOTAL LIABILITIES |                  | SHARE IN PROFIT OR (LOSS)          |                  | SHARE IN OTHER COMPREHENSIVE INCOME             |                 | SHARE IN TOTAL COMPREHENSIVE INCOME             |                  |
|---|--|------------------|------------------------------------|------------------|---|-----------------|---|------------------|
|   | AS % OF CONSOLIDATED NET ASSETS                      | Rupees in lakhs  | AS % OF CONSOLIDATED PROFIT & LOSS | Rupees in lakhs  | AS % OF CONSOLIDATED OTHER COMPREHENSIVE INCOME | Rupees in lakhs | AS % OF CONSOLIDATED TOTAL COMPREHENSIVE INCOME | Rupees in lakhs  |
| KLJ Resources Ltd. (Parent Co.)                                   | 94.01%   | 81,880.83        | 93.46%                             | 18,316.82        | 84.71%  | 646.41          | 80.13%  | 19,968.22        |
| Evolventhills Townships and Resorts Pvt. Ltd. (Indian subsidiary) | -0.01%   | -7.04            | 0.00%                              | -0.92            | 0.00%   | 0.00            | 0.00%   | -0.92            |
| Springdale Townships and Resorts Pvt. Ltd. (Indian subsidiary)    | -0.01%   | -6.68            | 0.00%                              | -0.92            | 0.00%   | 0.00            | 0.00%   | -0.92            |
| Alamonia Townships and Resorts Pvt. Ltd. (Indian subsidiary)      | -0.01%   | -6.75            | 0.00%                              | -0.94            | 0.00%   | 0.00            | 0.00%   | -0.94            |
| Valley View Townships Pvt. Ltd. (Indian subsidiary)               | -0.01%   | -8.04            | 0.00%                              | -1.83            | 0.00%   | 0.00            | 0.00%   | -1.83            |
| KLJ Resources DMCC (Foreign subsidiary)*                          | 8.56%  | 6,726.65         | 8.22%                              | 1,612.60         | 15.29%  | 117.22          | 9.49%   | 1,729.22         |
| Sudook Real Estate Private Limited (Indian subsidiary)            | -0.05%   | -228.43          | -0.23%                             | -44.37           | 0.00%   | 0.00            | -0.22%  | -44.37           |
| AK Biotech Private Limited. (Indian subsidiary)                   | -0.37%   | -281.87          | -1.44%                             | -281.87          | 0.00%   | 0.00            | -1.26%  | -281.87          |
| KLJ Speciality Chemical Pvt. Ltd. (Indian subsidiary)             | 0.00%  | -3.22            | 0.00%                              | -0.22            | 0.00%   | 0.00            | 0.00%   | -0.22            |
| Hambra Plastic Goods Pvt. Ltd. (Associate)                        | 0.01%  | 4.14             | 0.00%                              | -0.02            | 0.00%   | 0.00            | 0.00%   | -0.02            |
| <b>TOTAL</b>  | <b>100.00%</b>                                       | <b>87,873.59</b> | <b>100.00%</b>                     | <b>19,896.62</b> | <b>100.00%</b>                                  | <b>766.83</b>   | <b>100.00%</b>                                  | <b>20,367.24</b> |

\* KLJ Resources DMCC (Foreign subsidiary) PTE Ltd. Foreign subsidiary of KLJ Resources DMCC and KLJ Organic (Thailand) Limited Associate of KLJ Resources DMCC.





Note 61. The previous years figures have been regrouped and reclassified, to the extent necessary, to conform to the current years figures.

**Note 62. Financial Viability**

The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets and liabilities, and based on the internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts, has concluded that no adjustments are required to be made in the financial results. The management believes that it has considered all the possible impact of known events arising in the preparation of financial results. Further company is of the opinion that there is certainty that company will be able to meet its all-financial commitments due in next one year.

**Note 63. Representation relate to Fund Advance/ receive by the company on Ultimate Beneficiaries**

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

**Note 64. Approval of financial statement**

The financial statements were approved for issue by the Board of Directors on 30th May 2022. The board of directors has recommended a dividend of Rs.0.25 per fully paid up equity share of Rs. 10/- each, aggregating to Rs.26.85 Lakhs, which is based on relevant share capital as on 31st March, 2022

The accompanying notes to the consolidated financial statements

As per our report of even date  
For Kumar Chopra & Associates  
Chartered Accountants  
Firm Registration No. 000131N

Sunil Jain  
Partner  
M.No. 080990  
New Delhi, 30th May 2022



Hemant Jain  
Managing Director  
Din.00508995

Suresh Chand Jaitner  
Chief Financial Officer

For & on behalf of the Board of Directors

Dilip Kumar Kam  
Director  
Din.00061804

Ajai Kumar Gupta  
Company Secretary



**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries and associate for the financial year 2021-22

**Part "A": Subsidiaries**

(Rupees/AED in Lakhs)

| Sl. No.  | 1<br>(Figures in Rs.)                     | 2<br>(Figures in Rs.)                       | 3<br>(Figures in Rs.)                      | 4<br>(Figures in Rs.)           | 5<br>(Figures in AED)        | 6<br>(Figures in Rs.)  | 7<br>(Figures in Rs.)        | 8<br>(Figures in Rs.)              |
|--|---|---|--|---------------------------------|------------------------------|------------------------|------------------------------|------------------------------------|
| <i>Name of the subsidiary</i>  | Altamonte Townships and Resorts Pvt. Ltd. | Brokenhills Townships and Resorts Pvt. Ltd. | Springdale Townships and Resorts Pvt. Ltd. | Valley View Townships Pvt. Ltd. | KLJ Resources, DMCC          | AK Buildtech Pvt. Ltd. | Sadhok Real Estate Pvt. Ltd. | KLJ Speciality Chemicals Pvt. Ltd. |
| <i>The date since when subsidiary was acquired</i>   | 25.08.2014                                | 25.08.2014                                  | 25.08.2014                                 | 25.08.2014                      | 14.05.2014                   | 28.02.2018             | 03.07.2017                   | 17.08.2021                         |
| <i>Reporting period for the subsidiary concerned, if different from the holding Company's reporting period</i>                     | Same Reporting Period                     | Same Reporting Period                       | Same Reporting Period                      | Same Reporting Period           | Same Reporting Period        | Same Reporting Period  | Same Reporting Period        | Same Reporting Period              |
| <i>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</i> | INR                                       | INR   | INR  | INR                             | Dirham<br>1 AED =<br>20.6418 | INR                    | INR                          | INR                                |
| <i>Share capital</i>   | 113.00                                    | 161.00                                      | 109.00                                     | 201.00                          | 36.70                        | 1.00                   | 1.00                         | 5.00                               |
| <i>Reserves &amp; surplus</i>  | (6.75)                                    | (7.04)                                      | (6.67)                                     | (8.04)                          | 270.76                       | (381.94)               | (226.43)                     | (0.22)                             |
| <i>Total assets</i>  | 108.72                                    | 156.55                                      | 104.97                                     | 195.65                          | 587.28                       | 18.63                  | 2062.84                      | 4.88                               |
| <i>Total Liabilities</i>   | 108.72                                    | 156.55                                      | 104.97                                     | 195.65                          | 587.28                       | 18.63                  | 2062.84                      | 4.88                               |
| <i>Investments</i>   | Nil                                       | Nil   | Nil  | Nil                             | 61.87                        | Nil                    | Nil                          | Nil                                |
| <i>Turnover</i>  | Nil                                       | Nil   | Nil  | Nil                             | 2255.78                      | Nil                    | Nil                          | Nil                                |
| <i>Profit before taxation</i>  | (0.94)                                    | (0.92)                                      | (0.91)                                     | (0.93)                          | 83.22                        | (281.88)               | (39.09)                      | (0.22)                             |
| <i>Provision for taxation</i>  | Nil                                       | Nil   | Nil  | Nil                             | (6.03)                       | Nil                    | 5.28                         | Nil                                |
| <i>Profit after taxation</i>   | (0.94)                                    | (0.92)                                      | (0.91)                                     | (0.93)                          | 77.18                        | (281.88)               | (44.37)                      | (0.22)                             |
| <i>Proposed Dividend</i>   | Nil                                       | Nil   | Nil  | Nil                             | Nil                          | Nil                    | Nil                          | Nil                                |
| <i>% of shareholding of holding Company</i>  | 100%                                      | 100%  | 100%                                       | 100%                            | 100%                         | 100%                   | 100%                         | 100%                               |

**Notes:**

- The reporting period for the Company as well as its all subsidiaries is 31<sup>st</sup> March, 2022.
- AED stands for United Arab Emirates Dirham. The value of 1 AED as on 31<sup>st</sup> March, 2022 is Rs. 20.6418

**Part "B": Associate and Joint Venture**

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


|   |   | (Rupees in Lakhs)                              |
|---|---|--|
| Name of associate/Joint Venture   |   | Hamlog Plastic Goods Private Limited           |
| 1. Latest audited Balance Sheet Date  |   | 31 <sup>st</sup> March, 2022                   |
| 2. Date on which the Associate or Joint Venture was associated or Acquired    |   | 12 <sup>th</sup> March, 1998                   |
| 3. Shares of Associate/Joint Ventures held by the Company on the year end     | No. of equity shares                              | 16,235   |
|   | Amount of Investment in Associates/ Joint Venture | 2.64   |
|   | Extend of Holding %                               | 24%  |
| 4. Description of how there is significant influence                          |   | Control of more than 20% of total voting power |
| 5. Reason why the associate/joint venture is not consolidated                 |   | Not applicable, as the consolidation is done.  |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet |   | 5.28   |
| 7. Profit/(Loss) for the year   | Considered in Consolidation                       | (0.02)   |
|   | Not Considered in Consolidation                   | (0.08)   |

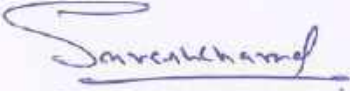
**Notes:**


1. The reporting period for the Associate is 31<sup>st</sup> March, 2022.
2. The Company does not have a Joint Venture as on 31<sup>st</sup> March, 2022.

For and on behalf of the Board of Directors  
**KLJ RESOURCES LIMITED**

  
**(Hemant Jain)**  
Managing Director  
DIN: 00506995

  
**(Dilip Kumar Karn)**  
Director  
DIN: 00061804

  
**(Suresh Chand Jalther)**  
Chief Financial Officer  
PAN: AAUPJ2690R

  
**(Ajai Kumar Gupta)**  
Company Secretary  
Membership No.: FCS 8020

Date: 30<sup>th</sup> May, 2022  
Place: New Delhi

