

Date: March 27, 2023

To,  
National Stock Exchange of India Ltd  
Listing Department  
'Exchange Plaza', Bandra-Kurla  
Complex,  
Bandra (E), Mumbai 400051  
**NSE Symbol: CKFSL**

Dear Madam / Sirs,

***Sub: Standalone audited Accounts for the period ended on March 31, 2022 of M/s. Cox & Kings Financial Service Ltd. ("Corporate Debtor")***

As you are aware, M/s. Cox & Kings Financial Service Limited is currently under Liquidation Process vide order of Hon'ble National Company Law Tribunal, Mumbai Bench dtd. 11<sup>th</sup> October, 2022 (a copy of order was received on 7<sup>th</sup> November, 2022). Further, Mr. Pardeep Kumar Sethi, (IP Registration no: IBBI/IPA-001/IP-P00711/2017-2018/11265), have been appointed as the Liquidator vide the same order of the Hon'ble NCLT.

Pursuant to Regulation 29 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Liquidator of the Corporate Debtor had taken on record Standalone audited Accounts for the period ended on March 31, 2022 in the SCC meeting held on March 27, 2023.

The financial statements for period ended on March 31, 2022 have been reviewed by the Liquidator based on data and information gathered by him from the corporate office situated at Vaman Centre, Andheri (East), Mumbai, from the public domain and other sources such as bank statements, and during the CIRP Period on the basis of the expenses incurred and ratified by the COC for the smooth running of CIRP, etc., to the extent possible.

It is pertinent to note that the undersigned while taking charge over the assets of the company and while taking into custody data, records, documents, etc, had approached the erstwhile directors, KMPs and promoters, Auditors etc. however, no co-operation was received from them. In this regard, the RP had filed an application under section 19(2) of IBC with the Hon'ble NCLT, Mumbai Bench. The said application was heard on 3rd January, 2023 and was declared as infructuous by the Bench as the Company had been admitted under Liquidation. Also, there were no employee in the company to help the undersigned with information, data, records & documents of the company. All the practicable and reasonable efforts have been made to gather records, data and documents for the preparation and finalization of the financial statements to the extent possible.

It is to be noted that any data pertaining to the financial statements upto the period 7 May 2021 provided to the auditors for the purpose of audit, pertain to the period prior to the initiation of CIRP and therefore, while facilitating the collection and dissemination of the said information, the

undersigned has relied upon and assumed the accuracy/veracity of the data/information gathered and placed confidence in the data/information available to him without personally verifying. The financial statements have been signed by the undersigned merely to facilitate the Corporate Insolvency & Resolution Process and Liquidation Process and to comply with the statutory requirements without any liability of the same.

The above is for your information and records.

Thanking you,

Yours faithfully,



**Pardeep Kumar Sethi**

Liquidator – M/s. Cox & Kings Financial Service Limited

Registration No: IBBI/PA-001/IP-P00711/2017-2018/11265

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## INDEPENDENT AUDITORS' REPORT

**TO THE LIQUIDATOR**  
**COX & KINGS FINANCIAL SERVICE LIMITED**

### Disclaimer of Opinion

We have audited the accompanying Financial Statements of Cox & Kings Financial Service Ltd. ("the Company"), which comprises the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes on financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### 1. Basis for Disclaimer of Opinion:

#### Attention is drawn to:

We draw your attention to the fact that, the Honourable National Company Law Tribunal, Mumbai ('NCLT') on 7 May 2021 admitted the Corporate Insolvency Resolution Process ('CIRP') application filed against the Company and appointed Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ('the Code'). Further, the committee of creditors constituted during the CIRP in its first meeting held on 1 June 2021, has appointed Mr. Pardeep Kumar Sethi as the Resolution Professional (RP) to manage the affairs of the Company.

Subsequently, the Company has been admitted to liquidation by the Hon'ble National Company Law Tribunal (Mumbai Bench) vide its order dated 11 October 2022 and Mr. Pardeep Kumar Sethi has been appointed as the liquidator of Cox & Kings Financial Service Limited. In view, of the pendency of the Liquidation, the power and responsibilities of the Board of Directors shall vest with the Liquidator under the provision of the Code. The primary purpose of publishing the financial statements is for the compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act").

- a) **Internal Controls** – The Company was under CIRP from May 7, 2021, where all the powers of the management were vested with the RP appointed under the Insolvency and Bankruptcy Code, 2016. The transactions undertaken by the RP are ratified / approved / sanctioned in the meeting of the Committee of Creditors.

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However the company did not have documented control framework which includes standard operating process for various areas of operations, risk control matrices, etc. and also due to the inability of the management to substantiate that there were adequate internal control that exist and operates effectively for various balances brought forward from the earlier years and transactions up to the CIRP date, we are unable to comment on the presence and effectiveness of internal controls for balances pertaining to earlier years and carried forward in the current year and for transactions up to the CIRP date. However, it is pertinent to note that there were no material operations during the year.

- a) The Company was granted Certificate of registration (Registration Number N-13.02242) by Reserve Bank of India effective from May 18, 2018. As per the information about the company at BSE, it is observed that the company had applied for surrendering NBFC license. Further after RP took charge over the company, he had written to the RBI for surrendering NBFC license. Response was received from RBI advising the RP to surrender the original Certificate of Registration (CoR). Subsequently copy of CoR had been submitted to RBI and the final confirmation from RBI is awaited. However, as per the list as on 31 December 2022 issued by RBI, the name of the company is still reflected as NBFC. Refer note No. 39(Y) of the financial statements.
- b) The company is not in compliance with various laws and regulations even before the CIRP was initiated, including certain requirement of the Companies Act, 2013, FEMA, Provident Fund, Income Tax, GST, etc. Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine the impact/consequences, including financial and operational impact, of such non compliances on the company. Pending final determination and assessment thereof, no adjustments have been made to these financial statements. In absence of relevant information and records impact of non-compliances cannot be assessed or verified, we are unable to express an opinion on the same.  
Refer note no. 41(g) of the financial statements.
- c) Due to non-availability of information and explanation on status of legal cases, demands notices from GST, Income Tax, TDS and any other notices from governmental authorities, Contingent Liability cannot be determined and hence not reported except for claims from various governmental departments received and not accepted by the Liquidator. In the absence of relevant information we are unable to express an opinion on the same. Refer note no. 41(i) of the financial statements.
- d) Balances of Trade Receivable, Trade Payable, Loans and Advances and other balances of assets and liabilities are recognised as per books of account, information, documents and records available, day-book and bank book entries and are subject to confirmation and reconciliation, if any. In the absence of information on invoices, accounting entries, etc., for period prior to Insolvency Commencement the accuracy of balances reflecting in financial statements cannot be verified and are materially misstated to that extent. Refer Note No. 3, 5 & 10 of the financial statements.
- e) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the same is not disclosed, also, no provision for interest paid/payable under this Act has not been created prior to the CIRP date. It is pertinent to note that all payables prior to CIRP period will be dealt

with in accordance with the provision of the Insolvency & Bankruptcy Code (IBC), 2016. Refer Note No. 10 of the financial statements.

- f) As depicted in Note No. 41(h), following are the summary of transactions falling with the meaning of section 43 to section 66 of the Insolvency and Bankruptcy Code, 2016. The matter is pending adjudication before the National Company Law Tribunal, Mumbai bench:

| <b>Particulars</b>                           | <b>Fictitious Trade Receivables<br/>(In INR) In Crs</b> | <b>Funds Siphoned<br/>(In INR) In Crs</b> |
|----------------------------------------------|---------------------------------------------------------|-------------------------------------------|
| Ajay Ajit Peter Kerkar                       | 461.22                                                  | 41.18                                     |
| Vanaja Nagrajan                              | -                                                       | 41.18                                     |
| Milind Gandhi                                | -                                                       | 41.18                                     |
| Matangi Gowrishankar                         | -                                                       | 41.18                                     |
| Jayesh Shah                                  | -                                                       | 41.18                                     |
| Sampath Krishnan                             | -                                                       | 41.18                                     |
| Shailesh Pednekar                            | -                                                       | 41.18                                     |
| Bapi Munshi                                  | -                                                       | 41.18                                     |
| Arup Sen                                     | -                                                       | 41.18                                     |
| Urrshila Kerkar                              | -                                                       | 41.18                                     |
| Vellattu Ravindra Menon                      | -                                                       | 41.18                                     |
| Cox & Kings Limited                          | -                                                       | 12.50                                     |
| The Ultimate Travelling Camp Private Limited | -                                                       | 12.50                                     |
| <b>Total</b>                                 | <b>461.22</b>                                           | <b>478.00</b>                             |

- g) In the absence of sufficient information, records and documents, party wise listing of trade receivables confirmation and other details like party name, tax identification numbers, contact details, correspondence or billing details, etc. an internal assessment was carried out and the substantial amount of trade receivables amounting to INR 43,14,528.68 thousand was highly unlikely to be recovered, hence the same was provided for during the year ended 31 March 2020. The management has further evaluated and retained this provision as on reporting date. In the absence of adequate information and explanation we are unable to express our opinion on the same. Refer Note No. 3 of the financial statements.

h) **Employee Benefit expenses**

The operations of the company were actively carried on upto October 2019, after which majority of the employees resigned from the company. In the absence of relevant information such as the employee wise resigning date and salary details, the liability of gratuity and leave encashment prior to CIRP date is not ascertainable and not provided for. In the absence of information, the existing provisions made upto June 2019 are continued and being reflected in the financial statements as at 31 March 2022. Subsequently the company has gone into CIRP, under IBC and all claims of the employees, including that for leave encashment and gratuity will be entertained only through claims submitted by the employees.

Further, all statutory dues applicable in relation to employee related expenditure like Employee State Insurance Scheme, Provident Fund, TDS on salary, etc, has not been booked for the period prior to the CIRP date. Refer note No. 12 and 14 of the financial statements.

- i) In absence of relevant information, documents and records, provision for current tax expense is not calculated, to that extent the figure for provision for tax is materially misstated. Refer Note No. 24 & 35 of the financial statements.
- j) During the year company has not provided for any onerous contracts. As the company is in the Liquidation process as on the date of preparation of this financial statements and audit thereof, claim in respect of onerous contract, if any, will only be through claims submitted as per the provision of the IBC, 2016. As the operational claims are not reinstated in the books, no provision is currently made in the books of accounts.
- k) In the absence of information about the lease arrangements entered by the company, the impact of Ind AS 116 'Leases' which becomes applicable from 1 April 2019 is not provided for by the company. Also, in the absence of relevant information the impact of non-compliance with Ind AS 116, cannot be quantified on the financial statements for the year ended 31 March 2022.
- l) As a part of Liquidation, creditors of the company were called upon to submit their claims to the Liquidator in terms of the applicable provisions of Insolvency and Bankruptcy Code, 2016. Operational Creditors and Workmen and Employee claims are not reinstated on the basis of claims received under Liquidation process. Financials claims have been provided in the books upto the date of preparation of financial statements i.e. 31 March 2022 to the extent of information available and the accuracy of balances cannot be verified and may be materially misstated to that extent. Refer Note No. 41(f) of the financial statements.
- m) In respect of Company's Cash & Bank balances & Bank Overdrafts from banks and financial institutions, in the absence of sufficient and appropriate information on Bank reconciliations, completeness of number of bank accounts held by the Company, Bank Statements and Confirmation, the accuracy of Balances reflecting in financial statements, etc. cannot be verified and are materially misstated to that extent. Further during the year under audit the Company has written off bank balance amounting to Rs. 163.75 thousands due to the difference in balance reflected in the bank statements vis a vis books of accounts. We are unable to comment on the accuracy and completeness of the same. Refer Note No. 2 of the financial statements.
- n) Statutory dues represent withholding taxes payable on salary, vendor payments, profession tax, provident fund, GST dues, etc. provided on the basis of information, records and information available with the resolution professional. No other statutory dues payable to the employees are accounted for in the absence of relevant information with the management and impact of such non-compliance in form of interest and penalty is currently not quantified by the management in the financial statements. Refer Note No. 12 of the financial statements.
- o) No deferred tax is created for the year ended 31 March 2022, in the absence of relevant information, records and documents in the possession of the liquidator. Deferred tax liability brought forward from the previous year is retained on the basis of prudence. In the absence of sufficient and appropriate audit evidence, the balance of deferred tax is materially misstated. Refer Note No. 6 of the financial statements.
- p) The management has tested its trade receivable for any further expected credit loss as per Ind AS 109 as at the year ended 31 March 2021, basis such an estimate, the management is of the

opinion that the provision already made in the books is adequate and no further provisioning is required. In the absence of sufficient and appropriate audit evidence, we are unable to comment on the provision of Expected Credit Loss.

- q) PPE having written down value of INR 681.55 thousand is retained in the books of accounts as per the valuation report provided by the valuer as required under the provision of IBC 2016. The difference between the carrying value and the realisable value as per the valuation report is shown as impairment gain/loss. Refer Note No. 7 of the financial statements.
- r) The Company was admitted into Liquidation on 11 October 2022 which is subsequent to the date of these financial statements i.e., 31 March 2022. As on the date of signing of these financials substantial uncertainties exist in relation to the future operations the Company and thereby carrying value of assets. RP had tested all assets including Property Plant and Equipment, Intangibles, Capital Work in Progress and other financial assets such as advances, statutory receivable, Security Deposits, etc. for any impairment losses for the year ended 31 March 2020. Basis further assessment done by the liquidator for the period ended 31 March 2022, no changes in impairment allowance is required. In the absence of sufficient audit evidence, we are unable to comment on the same.
- s) The financial statements for the period ended 31 March 2022 have been prepared basis the trial balance as on 31 March 2022 which is on the basis of the carrying balance of assets and liabilities as on 31 March 2019 and day book entries available from 1st April 2019 to 30 September 2019 and Bank statements to the extent available with RP for the period 1 October 2019 to 7 May 2021. The financial statements for the year ended 31 March 2022 have been prepared basis the bank statements to the extent available with Liquidator and expenses as approved and ratified by the COC. The financial statements for the year ended 31 March 2022 encompasses significant exceptions/adjustments arising from the discrepancies in the closing balances reported in the financial statements for the year ended 31 March 2021, errors and omissions in the book of accounts and the numerous transactions (subject to the outcome of ongoing Transaction Audit) undertaken prior to the commencement of CIRP when the powers of supervising and directing the affairs of the Company were vested with the Board of Directors . Accordingly, the best judgement assessment and estimation of closing balances as on 7 May 2021, 31 March 2021 and as on 31 March 2020 have been done to the extent possible but the accuracy and reliability of these balances cannot be assured or verified by Liquidator and hence the financial statements are materially misstated to that extent. Refer Note No. 41(k) of the financial statements.
- t) In the absence of relevant and sufficient information, records and documents it is not possible for the liquidator to identify the related parties. The transactions with related parties have been reported based on the transactions which took place after commencement of CIRP and approved by the Committee of Creditors. The related party's disclosure for the year ended 31 March 2022 is disclosed in the audited financial statements. Refer Note No. 28 of the financial statements.
- u) Due to non-availability/completeness of information on books of accounts and other documents & records of the Company, following cannot be ascertained in relation to Revenue, Expenses, Assets & Liabilities of the Company:
  - i) Completeness and Accuracy of Expenses and Income
  - ii) Existence and Accuracy of Assets and Liabilities

Also, due to non-availability of information on status of legal cases, demands notices from GST, Income Tax, TDS and any other notices from government authorities, Contingent Liability cannot be determined and hence not reported except for claims received and not accepted by the liquidator. Refer Note No.41(i) of the financial statements.

**v) Going Concern:**

As depicted in Note No. 41(l) of the financial statements, the Resolution Professional and the COC have attempted to find an acceptable resolution plan to continue the company as a going concern. However, in view of no viable resolution plans being approved, the COC have resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company has been filed with the NCLT on 8 June 2022 and the Hon'ble NCLT Mumbai has ordered the commencement of liquidation of the Cox & Kings Financial Service Limited on 11 October 2022. The RP was appointed as Liquidator.

As on the date of signing of these financial statement substantial uncertainties exist in relation to the future operations the Company and thereby carrying value of assets. Hence, as on 31 March 2022, adequate provisions has been made to the carrying value of assets to reflect the same at the net realisable value.

The Company has accumulated losses of INR 65,14,625.66 thousand and the Company has registered net loss of INR 5,28,105.14 thousand during the year ended 31 March 2022 and of INR 5,44,468.27 thousand for the previous year ended 31 March 2021 (including provision for finance cost and depreciation).

All the above events cast significant uncertainty on the ability of the company to continue as a going concern in the foreseeable future.

In light of the matters indicated above, in our opinion, the company's ability to continue as Going Concern is severely impacted and is unlikely. The underlying statements have been prepared by the company on a non going-concern basis.

**2. Key Audit Matters:**

Except for the matters described in the Basis for disclaimer of Opinion paragraph and Material Uncertainty Related to Going Concern sections of our report, we have determined that there are no Key Audit matters to communicate in our report.

**3. Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

#### **4. Management's Responsibilities for the Financial Statements:**

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

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

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

The Honorable National Company Law Tribunal, Mumbai ('NCLT') on 7 May 2021 admitted the Corporate Insolvency Resolution Process ('CIRP') application filed against the Company and appointed Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/IPA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ('the Code'). Further, the committee of creditors during the CIRP in its first meeting held on 1 June 2021, has appointed Mr. Pardeep Kumar Sethi as the Resolution Professional (RP) to manage the affairs of the Company. As per section 17 (1)(b) of IB Code, 2016 the powers of board of directors of the corporate debtor shall stand suspended and be exercised by the Resolution Professional.

Subsequently, the Company has been admitted to liquidation by the Hon'ble National Company Law Tribunal (Mumbai Bench) vide its order dated 11 October 2022 and Mr. Pardeep Kumar Sethi has been appointed as the liquidator of Cox & Kings Financial Service Limited. In view, of the pendency of the Liquidation, the power and responsibilities of the Board of Directors shall vest with the Liquidator under the provision of the Code.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We are independent of the entity in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Company.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- Evaluate the overall presentation, structure and content of the 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 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 statements of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or 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:**

For the purpose of this audit, we have relied upon the financial statements provided to us by the Liquidator. It is noteworthy that the Liquidator has inserted a note, as part of notes to accounts, set out in Note 41 (k), as per which financial statements for the period ended 31 March 2022 has been prepared basis the trial balance as on 31 March 2022 which is on the basis of the carrying balance of assets and liabilities as on 31 March 2019 and day book entries available from 1st April 2019 to 30 September 2019 and Bank statements to the extent available with RP for the period 1 October 2019 to 7 May 2021. The financial statements for the year ended 31 March 2022 has been prepared basis the bank statements to the extent available with Liquidator and expenses as approved and ratified by the COC. The financial statements for the year ended 31 March 2022 encompasses significant exceptions/adjustments arising from the discrepancies in the closing balances reported in the financial statements for the year ended 31 March 2021, errors and omissions in the book of accounts and the numerous transactions (subject to the outcome of ongoing Transaction Audit) undertaken prior to the commencement of CIRP when the powers of supervising and directing the affairs of the Company were vested with the Board of Directors .

As per the said note, the liquidator has signed the audited financial statements only to facilitate the CIRP process without any liability of the same. To the extent the RP has disclaimed his liability with respect to accuracy, veracity and sufficiency or completeness of information provided to him by the officials of the Company and through other sources, the audited financial statements may suffer from issues of accuracy, veracity, sufficiency, completeness or reliability. *[Relevant observations upon the extent of veracity of the financial statements have been made in the paragraphs 1 and 2 of this Section.]*

Our opinion is disclaimed in respect of this matter.

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

1. As required by Section 143(3) of the Act, we report that
  - a) Subject to matters described in the Basis for Disclaimer Opinion paragraph, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit

- b) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account
- d) Because of the significance of the matters described paragraphs 1 in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and state whether the aforesaid financial statements comply with the Accounting Standards under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended;
- e) The matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the petition filed by financial creditor with NCLT for resolution process under Insolvency and Bankruptcy Code 2016 management of the Company was vested with Resolution Professional as on 31 March 2022 and hence we were not able to obtain the declaration of Directors u/s. 164(2) of the act;
- g) In our opinion, no managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- i) 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. Due to the possible effects of the matter described in the Basis for disclaimer of opinion paragraph, we are unable to state whether the financial statements disclose the complete impact of pending litigations on its financial position. However, any claim pertaining to any litigation up to the CIRP date will be routed as per the provision of the IBC, 2016;
  - ii. Due to the possible effects of the matter described in the Basis for disclaimer of opinion paragraph, we are unable to state whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Any claim pertaining to any long term contract upto the CIRP date will be as per the provision of the IBC, 2016 and;
  - iii. Due to the possible effects of the matter described in the Basis of disclaimer of opinion paragraph, we are unable to state whether the Company has any liability towards unclaimed dividend and whether the same has been transferred to the Investor Education and Protection Fund.

- iv. The RP has represented to us that to the best of his knowledge and belief, other than as disclosed in the notes to the accounts, after the CIRP date:
- a) 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 persons or entities, including, foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and
  - b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether, recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
  - c) Based on the audit procedure carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub clause (a) and (b) contain any material misstatement. However, due to the possible effects of the matter described in the Basis of disclaimer of opinion paragraph, we are unable to comment on sub clause (a) and (b) prior to the CIRP date.
- v. The Company is under CIRP and hence has not declared or paid any dividend during the year and accordingly reporting on the compliance with Section 123 of the Companies Act 2013 is not applicable for the year under audit.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Companies Act, 2013, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

**For JHS Associates LLP**

Chartered Accountants

Firm Registration No: 133288W / W100099

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**Tasnim Tankiwala**

Partner

Membership No: 108263

Date: 27 March 2023

Place: Mumbai

UDIN: 23108263BGZYGR7002

**“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statements of Cox & Kings Financial Service Limited**

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

We have audited the internal financial controls over financial reporting of Cox & Kings Financial Service Limited (“the Company”) as of 31<sup>st</sup> March 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We have not been able to obtain sufficient and appropriate audit evidence 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 reliability of financial reporting & preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Disclaimer of Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2022:

- The Company was under CIRP during the financial year under audit where all the powers of the management were vested with the Resolution Professional (RP) appointed under the Insolvency and Bankruptcy Code, 2016. The transactions undertaken by the RP are ratified / approved / sanctioned in the meeting of the Committee of Creditors. However, the company does not have documented control framework which includes standard operating process for various areas of operations, risk control matrices, etc. and also due to the inability of the management to substantiate that there were adequate internal control that exist and operates effectively for various balances brought forward from the earlier years. However, it is pertinent to note that there were no operations during the year.
- A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.
- In our opinion, because of the effects / possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively prior to CIRP date but were present as of March 31, 2022, considering the essential components of internal

control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

- We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 Financial Statements of the Company, and we have given a disclaimer of opinion on the financial statements of the company. .

For **JHS Associates LLP**

Chartered Accountants

Firm Registration No: 133288W / W100099

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**Tasnim Tankiwala**

Partner

Membership No: 108263

Date: 27 March 2023

Place: Mumbai

UDIN: 23108263BGZYGR7002

**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Cox & Kings Financial Service Limited**

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

1) In respect of its fixed assets:

- a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment post the commencement of CIRP date.
- ii) The Company has not maintained proper records showing full particulars of intangible assets in the absence of relevant information with Resolution Professional.
- b) As explained to us, the Property, Plant and Equipment have been verified by the Resolution Professional post his appointment after the CIRP date. Material discrepancies were noticed on such physical verification and the same has been properly dealt with in the books of accounts in the previous financial years to the extent of information and records that were available with the RP.
- c) According to the information and explanations given to us and the records examined by us the company does not own any immovable property. Thus, reporting under this clause of the Order is not applicable to the Company. Our examination is limited to the extent of information, records and documents available with the Company and provided to us.
- d) According to the information and explanation given to us and records examined by us Property, Plant and Equipment and Intangible assets have been valued by registered valuers. It is pertinent to note that the Company is under Liquidation under IBC 2016 as on the date of signing of this report and the value of PPE being confidential as per Regulation 35 (3) of the IBBI (CIRP Regulations), 2016, the same is not disclosed under this clause of the Order. The impact of this revaluation is adequately given in the financial statements. Refer note no. 7 and 8 of the financial statements.
- e) Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on whether any proceedings has been initiated or pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

- 2)
- a) The Company is in the business of money changing related services and does not have any physical inventories. Thus, reporting under this clause of the Order is not applicable to the Company.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly,

this clause of the Order is not applicable to the Company. Further, it is pertinent to note that the company is under CIRP during the year under audit and only interim finance is provided by Yes Bank Limited to meet the CIRP cost.

- 3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year under audit. Thus, reporting under this clause of the Order is not applicable to the Company.
- 4) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loans, investments, guarantees and securities have been granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable. Thus, reporting under this clause of the Order is not applicable to the Company.
- 5) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Thus, reporting under this Clause of the Order are not applicable to the Company. The company is registered with Reserve Bank of India as non-deposit accepting or holding non-banking financial company.
- 6) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under this clause of the order is not applicable to the Company.
- 7) a) Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on the extent of the arrears of outstanding statutory dues pertaining to the pre CIRP period as on the 31 March 2022 for a period of more than six months from the date they became payable.

For undisputed statutory dues payable during the CIRP period there have been generally no delays in depositing the dues with the appropriate authorities and no material amount pertaining to withholding tax, Goods and Service Tax and any other material statutory dues are outstanding 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) Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on whether the dues of income Tax, Goods and Service Tax or any other material statutory dues have not been deposited on account of any dispute. We are further unable to comment on the amounts involved and the forum where dispute, if any, is pending.

- 8) As the Company is under CIRP during the year under audit, it enjoys moratorium under section 14 of the IBC, 2016 and hence tax assessment notice, if any, has not been considered for reporting under this clause.
- 9) a) On the basis of information and explanation given to us the company has defaulted in repayment of both working capital loan and term loan to the bank. However, in the absence of relevant information and records, we are not able to comment on the period and the amount of default as required under this clause.

Loan amount outstanding as on 31 March 2022 from bank includes the following:

| <b>(Amount in INR '000)</b>        |                                |                               |                                                     |
|------------------------------------|--------------------------------|-------------------------------|-----------------------------------------------------|
| <b><i>Particulars</i></b>          | <b><i>Principal Amount</i></b> | <b><i>Interest Amount</i></b> | <b><i>Total Outstanding as on 31 March 2022</i></b> |
| <i>Working Capital Demand Loan</i> | <i>35,00,000.00</i>            | <i>12,05,685.27</i>           | <i>47,05,685.27</i>                                 |
| <i>Cash Credit</i>                 | <i>4,83,750.10</i>             | <i>2,39,055.94</i>            | <i>7,22,806.03</i>                                  |
| <b><i>Total</i></b>                | <b><i>39,83,750.10</i></b>     | <b><i>14,44,741.20</i></b>    | <b><i>54,28,490.30</i></b>                          |

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been declared a willful defaulter by Yes Bank Limited and Corporate Insolvency Proceedings under Insolvency and Bankruptcy Code, 2016 has been initiated against the company during the year under audit

c) As the Company is under CIRP during the year under audit, no term loan were obtained by the company and hence reporting under this clause of the Order is not applicable to the Company. However, the Company has received interim finance from Yes Bank Limited for meeting various CIRP cost.

d) According to the information and explanations given to us and on an overall examination of the records of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company post the CIRP Date.

e) According to the information and explanations given to us and based on our examination of the records of the Company, we report that the Company does not hold any investment in any subsidiary, joint venture or associate company (as defined in the Act) and hence reporting under this clause of the Order is not applicable to the Company

f) According to the information and explanations given to us and based on our examination of the records of the Company, we report that the Company does not hold any investment in any subsidiary, associate or joint venture (as defined in the Act) and hence reporting under this clause of the Order is not applicable to the Company

- 10) a) The Company has not raised money by way of further public offer (including debt instruments). Thus, reporting under this clause of the Order is not applicable.
- b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Thus, reporting under this clause of the Order is not applicable.
- 11) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management except reporting of following fraudulent transactions under Section 66 of the Insolvency and Bankruptcy Code, 2016 by the RP to the Honourable NCLT:

| <b>Particulars</b>                           | <b>Fictitious Trade Receivables<br/>(In INR) In Crs</b> | <b>Funds Siphoned<br/>(In INR) In Crs</b> |
|----------------------------------------------|---------------------------------------------------------|-------------------------------------------|
| Ajay Ajit Peter Kerkar                       | 461.22                                                  | 41.18                                     |
| Vanaja Nagrajan                              | -                                                       | 41.18                                     |
| Milind Gandhi                                | -                                                       | 41.18                                     |
| Matangi Gowrishankar                         | -                                                       | 41.18                                     |
| Jayesh Shah                                  | -                                                       | 41.18                                     |
| Sampath Krishnan                             | -                                                       | 41.18                                     |
| Shailesh Pednekar                            | -                                                       | 41.18                                     |
| Bapi Munshi                                  | -                                                       | 41.18                                     |
| Arup Sen                                     | -                                                       | 41.18                                     |
| Urrshila Kerkar                              | -                                                       | 41.18                                     |
| Vellattu Ravindra Menon                      | -                                                       | 41.18                                     |
| Cox & Kings Limited                          | -                                                       | 12.50                                     |
| The Ultimate Travelling Camp Private Limited | -                                                       | 12.50                                     |
| <b>Total</b>                                 | <b>461.22</b>                                           | <b>478.00</b>                             |

The matter is pending adjudication before the Mumbai Bench of NCLT.

(b) Since we have not come across of any instance of material fraud by the Company or on the Company during our audit of the financial statements for the year ended March 31, 2022, the provisions stated in paragraph (xi)(b) of the Order are not applicable to the Company.

c) As the Company is into CIRP under IBC, 2016, the clause pertaining to whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedure is not applicable.

- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Thus, reporting under this clause of the Order is not applicable.
- 13) In our opinion and according to the information and explanation provided to us by the management, as the register under section 189 has not been updated, we are unable to comment on compliance with section 177 and Section 188 of the Companies Act, 2013 with respect to transactions with related parties' However, details of related party transactions to the extent available with the management have been disclosed in Note 28 to the Financial Statements as certified by the management.
- 14) a) As the Company is in CIRP under the IBC, 2016, all the powers of the management vest with the Resolution Professional and hence there is no separate internal audit system which commensurate with the size and nature of its business. Further it is pertinent to note that the Company had no business activities during the year under audit.
- b) The Company has not got internal audit as required under Section 138 of the Companies Act 2013 conducted during the year under audit.
- 15) Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on whether Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- 16) a) The Company is required to and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 as a non deposit accepting or Holding Non- Banking Financial Company.
- b) The Company was granted Certificate of registration (Registration Number N-13.02242) by Reserve Bank of India effective from May 18, 2018. As per the information about the company at BSE, it is observed that the company had applied for surrendering NBFC license. Further after RP took charge over the company, he had written to the RBI for surrendering NBFC license. Response had been received from RBI advising the RP/Liquidator to surrender Original Certificate of Registration (CoR). Available copy of CoR has been submitted to RBI. The final confirmation from RBI on cancellation of certificate is awaited. As per the list as on 31 December 2022 issued by RBI, the name of company is still reflected as the NBFC.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, this clause of the Order is not applicable.
- d) Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on whether the Group has any CICs.
- 17) The Company has incurred cash losses of INR 5,28,105.14 thousand in the current year and INR 5,44,108.22 thousand in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Accordingly, this clause of the Order is not applicable.

- 19) The Company is under CIRP during the year under audit. Further it is pertinent to note that there were no operations during the year and the Company has received liquidation order from NCLT on 11 October 2022. In the light of these facts and because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph 1 of our report, we are unable to comment on whether the company is 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.
- 20) The provision relating to section 135 of the Companies Act, 2013 on Corporate Social Responsibility is not applicable to the Company and hence reporting under clause 3(XX)(a) and 3(xx)(b) of the Order is not applicable.

For **JHS Associates LLP**

Chartered Accountants

Firm Registration No: 133288W / W100099

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**Tasnim Tankiwala**

Partner

Membership No: 108263

Date: 27 March 2023

Place: Mumbai

UDIN: 23108263BGZYGR7002

## COX &amp; KINGS FINANCIAL SERVICE LIMITED

## BALANCE SHEET AS AT 31 MARCH 2022

(Amount in INR '000)

| Particulars                                                                                 | Note No. | As at<br>31 March 2022 | As at<br>31 March 2021 |
|---------------------------------------------------------------------------------------------|----------|------------------------|------------------------|
| <b>ASSETS</b>                                                                               |          |                        |                        |
| <b>Financial Assets</b>                                                                     |          |                        |                        |
| Cash and cash equivalents                                                                   | 2        | 4,148.79               | 634.21                 |
| Receivables                                                                                 |          |                        |                        |
| (i) Trade Receivables                                                                       | 3        | -                      | 4.75                   |
| (ii) Other Receivables                                                                      |          | -                      | -                      |
| Investments                                                                                 | 4        | -                      | 538.23                 |
| Assets Held for Sale                                                                        | 7        | 681.55                 |                        |
| Other Financial assets                                                                      | 5        | 947.56                 | -                      |
| <b>Total financial assets</b>                                                               |          | <b>5,777.90</b>        | <b>1,177.19</b>        |
| <b>Non-Financial Assets</b>                                                                 |          |                        |                        |
| Deferred tax Assets (Net)                                                                   | 6        | -                      | -                      |
| Property, Plant and Equipment                                                               | 7        | -                      | 767.60                 |
| Capital work-in-progress                                                                    | 7        | -                      | -                      |
| Other Intangible assets                                                                     | 8        | -                      | -                      |
| Other non-financial assets                                                                  | 9        | -                      | -                      |
| <b>Total financial assets</b>                                                               |          | <b>-</b>               | <b>767.60</b>          |
| <b>Total Assets</b>                                                                         |          | <b>5,777.90</b>        | <b>1,944.78</b>        |
| <b>LIABILITIES AND EQUITY</b>                                                               |          |                        |                        |
| <b>LIABILITIES</b>                                                                          |          |                        |                        |
| <b>Financial Liabilities</b>                                                                |          |                        |                        |
| Payables                                                                                    |          |                        |                        |
| (A) Trade Payables                                                                          |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          |                        |                        |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 10       | 1,96,843.18            | 1,90,408.14            |
| (B) Other Payables                                                                          |          |                        |                        |
| (i) total outstanding dues of micro enterprises and small enterprises                       |          |                        |                        |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |          | -                      | -                      |
| Borrowings (Other than Debt Securities)                                                     | 11       | 54,28,491.30           | 49,09,582.81           |
| Other Financial liabilities                                                                 | 12       | 25,974.53              | 19,379.81              |
| <b>Total financial liabilities</b>                                                          |          | <b>56,51,309.01</b>    | <b>51,19,370.76</b>    |
| <b>Non-Financial Liabilities</b>                                                            |          |                        |                        |
| Current tax liabilities (Net)                                                               | 13       | 1,02,731.98            | 1,02,731.98            |
| Deferred tax Liabilities (Net)                                                              | 6        | 2,361.00               | 2,361.00               |
| Provisions                                                                                  | 14       | 29,470.82              | 29,470.82              |
| <b>Total non-financial liabilities</b>                                                      |          | <b>1,34,563.80</b>     | <b>1,34,563.80</b>     |
| <b>EQUITY</b>                                                                               |          |                        |                        |
| Equity Share capital                                                                        | 15       | 7,28,544.54            | 7,28,544.54            |
| Other Equity                                                                                | 16       | (65,08,639.45)         | (59,80,534.32)         |
| <b>Total Equity</b>                                                                         |          | <b>(57,80,094.91)</b>  | <b>(52,51,989.78)</b>  |
| <b>Total Liabilities and Equity</b>                                                         |          | <b>5,777.90</b>        | <b>1,944.78</b>        |

Significant Accounting Policies and Notes to the financial statements

1 to 41

As per our report of even date attached

For JHS Associates LLP  
Chartered Accountants  
Firm Registration No: 133288W / W100099

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tankiwala**

Tasnim Tankiwala  
Partner  
Membership No. 108263

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Date: 2023.03.27 18:12:58  
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Place: Mumbai  
Date: 27 March 2023

For Cox &amp; Kings Financial Service Limited

Pardeep Kumar Sethi  
Liquidator of Cox & Kings Financial Service Limited in  
Liquidation (Erstwhile Resolution Professional)

IBBI Registration no. IBBI/PA-001/IP-P00711/2017-  
2018/11265

Place: Mumbai  
Date: 27 March 2023

**COX & KINGS FINANCIAL SERVICE LIMITED**

**PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022**

(Amount in INR '000)

| Particulars                                                                  | Note No. | Year ended<br>31 March 2022 | Year Ended<br>31 March 2021 |
|------------------------------------------------------------------------------|----------|-----------------------------|-----------------------------|
| Revenue from operations                                                      | 17       | -                           | -                           |
| Other income                                                                 | 18       | 25.96                       | -                           |
| <b>Total Income</b>                                                          |          | <b>25.96</b>                | <b>-</b>                    |
| <b>EXPENSES</b>                                                              |          |                             |                             |
| - Employee benefit expense                                                   | 19       | -                           | -                           |
| - Finance costs                                                              | 20       | 5,18,908.49                 | 5,44,042.20                 |
| - Depreciation and amortisation expense                                      | 21       | 26.11                       | 360.05                      |
| - Impairment Allowance                                                       | 22       | 59.93                       | -                           |
| - Other expenses                                                             | 23       | 9,136.57                    | 66.02                       |
| <b>Total expenses</b>                                                        |          | <b>5,28,131.10</b>          | <b>5,44,468.27</b>          |
| <b>Profit before tax</b>                                                     |          | <b>(5,28,105.14)</b>        | <b>(5,44,468.27)</b>        |
| Income tax expense                                                           |          |                             |                             |
| - Current tax                                                                | 24       | -                           | -                           |
| - Deferred tax                                                               | 24       | -                           | -                           |
| <b>Total tax expense</b>                                                     |          | <b>-</b>                    | <b>-</b>                    |
| <b>Profit for the Period</b>                                                 |          | <b>(5,28,105.14)</b>        | <b>(5,44,468.27)</b>        |
| <b>Other Comprehensive Income / (Loss) (OCI)</b>                             |          |                             |                             |
| <b>Items that will not be reclassified subsequently to profit or loss</b>    |          |                             |                             |
| Remeasurements of post-employment benefit obligations                        |          | -                           | -                           |
| Tax relating to these items                                                  | 24       | -                           | -                           |
| <b>Items that will be reclassified subsequently to profit or loss</b>        |          |                             |                             |
| <b>Total other comprehensive income, net of tax</b>                          |          | <b>-</b>                    | <b>-</b>                    |
| <b>Total comprehensive income for the period</b>                             |          | <b>(5,28,105.14)</b>        | <b>(5,44,468.27)</b>        |
| <b>Earnings per Equity share of face value of ₹10 each</b>                   |          |                             |                             |
| Basic                                                                        | 26       | (7.25)                      | (7.47)                      |
| Diluted                                                                      |          | (7.25)                      | (7.47)                      |
| <b>Significant Accounting Policies and Notes to the financial statements</b> | 1 to 41  |                             |                             |

As per our report of even date attached

For JHS Associates LLP

Chartered Accountants

Firm Registration No: 133288W / W100099

**tasnim alihusain  
tankiwala**

Tasnim Tankiwala

Partner

Membership No. 108263

Place: Mumbai

Date: 27 March 2023

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alihusain tankiwala  
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For Cox & Kings Financial Service Limited

**Pardeep Kumar Sethi**

Liquidator of Cox & Kings Financial Service Limited - In  
Liquidation (Erstwhile Resolution Professional)

IBBI Registration no. IBBI/IPA-001/IP-P00711/2017-  
2018/11265

Place: Mumbai

Date: 27 March 2023



COX & KINGS FINANCIAL SERVICE LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2022

|                                | (Amount in INR '000)   |                        |
|--------------------------------|------------------------|------------------------|
| A Equity Share Capital         | As at<br>31 March 2022 | As at<br>31 March 2021 |
| At the beginning of the period | 7,28,544.54            | 7,28,544.54            |
| Add: Increase during the year  | -                      | -                      |
| At the end of the period       | 7,28,544.54            | 7,28,544.54            |

| B Other Equity                                                          |                                                 |                                                                     |                                           |                                                 |                |
|-------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------|----------------|
|                                                                         | (Amount in INR '000)                            |                                                                     |                                           |                                                 |                |
| Particulars                                                             | Share application<br>money pending<br>allotment | Statutory Reserve<br>pursuant to Sec - 45IC<br>of the RBI Act, 1934 | Reserves and Surplus<br>Retained Earnings | Other items of Other<br>Comprehensive<br>Income | Total          |
| Balance at the beginning of the reporting period<br>as on 31 March 2020 | -                                               | 6,666.49                                                            | (54,42,052.24)                            | (680.30)                                        | (54,36,066.05) |
| Changes in accounting policy/ prior period errors                       |                                                 |                                                                     |                                           |                                                 | -              |
| Restated balance at the beginning of the reporting<br>period            |                                                 |                                                                     |                                           |                                                 | -              |
| Total Comprehensive Income for the year                                 |                                                 |                                                                     |                                           |                                                 | -              |
| Dividends                                                               |                                                 |                                                                     |                                           |                                                 | -              |
| Transfer from Surplus in the statement of Profit &<br>loss              |                                                 |                                                                     |                                           |                                                 | -              |
| Transfer to retained earnings                                           |                                                 |                                                                     | (5,44,468.27)                             |                                                 | (5,44,468.27)  |
| Balance at the end of the reporting period as on<br>31 March 2021       | -                                               | 6,666.49                                                            | (59,86,520.51)                            | (680.30)                                        | (59,80,534.32) |
| Changes in accounting policy/ prior period errors                       |                                                 |                                                                     |                                           |                                                 | -              |
| Restated balance at the beginning of the reporting<br>period            |                                                 |                                                                     |                                           |                                                 | -              |
| Total Comprehensive Income for the year                                 |                                                 |                                                                     |                                           |                                                 | -              |
| Dividends                                                               |                                                 |                                                                     |                                           |                                                 | -              |
| Transfer from Surplus in the statement of Profit &<br>loss              |                                                 |                                                                     |                                           |                                                 | -              |
| Transfer to retained earnings                                           |                                                 |                                                                     | (5,28,105.14)                             |                                                 | (5,28,105.14)  |
| Balance at the end of the reporting Year as on 31<br>March 2022         | -                                               | 6,666.49                                                            | (65,14,625.66)                            | (680.30)                                        | (65,08,639.45) |

Nature and purpose of each reserve

**a) Statutory Reserve**

The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared. As there is no profit during FY 2021-2022, No amount can be transferred to Statutory Reserve.

**b) Retained Earnings**

Retained earnings represent the amount of accumulated earnings of the Company.

**c) Other items of Other Comprehensive Income**

Created on account of items measured through other comprehensive income

Significant Accounting Policies and Notes to the financial statements

1 to 41

As per our report of even date attached

For JHS Associates LLP

Chartered Accountants

Firm Registration No: 133288W / W100099

tasnim alihusain  
tankiwala

Tasnim Tankiwala

Partner

Membership No. 108263

Place: Mumbai

Date: 27 March 2023

For Cox & Kings Financial Service Limited

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Pardeep Kumar Sethi

Liquidator of Cox & Kings Financial Service Limited - In Liquidation (Erstwhile Resolution  
Professional)

IBBI Registration no. IBBI/PA-001/IP-P00711/2017-2018/11265

Place: Mumbai

Date: 27 March 2023



**COX & KINGS FINANCIAL SERVICE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022**

(Amount in INR '000)

| Particulars                                                                       | Year ended<br>31 March 2022 | Year Ended<br>March 31, 2021 |
|-----------------------------------------------------------------------------------|-----------------------------|------------------------------|
| <b>Cash Flow from Operating Activities</b>                                        |                             |                              |
| Profit after income tax                                                           | (5,28,105.14)               | (5,44,468.28)                |
| <u>Adjustments for:</u>                                                           |                             |                              |
| Provision for Taxes                                                               | -                           | -                            |
| Depreciation and amortisation expense                                             | 26.11                       | 360.05                       |
| Dividend and interest income classified as investing cash flows                   | (25.96)                     | -                            |
| Impairment of Assets                                                              | 59.93                       | -                            |
| Assets Written off                                                                | -                           | -                            |
| Loss on disposal of fixed assets                                                  | -                           | -                            |
| Finance costs                                                                     | 5,18,908.49                 | 5,44,042.20                  |
| <b>Change in operating assets and liabilities</b>                                 |                             |                              |
| (Increase)/Decrease in trade receivables                                          | 4.75                        | 204.75                       |
| Increase/(Decrease) in trade payables                                             | 6,435.05                    | (0.67)                       |
| (Increase)/Decrease in other financial assets                                     | (947.56)                    | -                            |
| Increase/(Decrease) in employee benefit obligations                               | -                           | -                            |
| Increase/(Decrease) in financial liabilities                                      | 2,090.20                    | -                            |
| <b>Cash Generated from Operation</b>                                              | <u>(1,554.13)</u>           | <u>138.07</u>                |
| Income taxes paid (net of income tax refund)                                      |                             |                              |
| <b>Net Cash from Operating Activities</b>                                         | <u>(1,554.13)</u>           | <u>138.07</u>                |
| <b>Cash Flow from Investing Activities</b>                                        |                             |                              |
| Payments for property, plant and equipment                                        | -                           | -                            |
| Payment from purchase of investments                                              | -                           | -                            |
| Investment in Fixed Deposit                                                       | -                           | -                            |
| Proceeds from Sale of Investment                                                  | 564.19                      | -                            |
| Interest received                                                                 | -                           | -                            |
| <b>Net cash outflow from investing activities</b>                                 | <u>564.19</u>               | <u>-</u>                     |
| <b>Cash Flow from Financing Activities</b>                                        |                             |                              |
| Proceeds from borrowings                                                          | -                           | -                            |
| Repayment of borrowings                                                           | -                           | -                            |
| Increase in Share Capital                                                         | -                           | -                            |
| Proceeds of Corpus Fund                                                           | 4,504.52                    | -                            |
| <b>Net cash inflow (outflow) from financing activities</b>                        | <u>4,504.52</u>             | <u>-</u>                     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                       | <u>3,514.59</u>             | <u>138.07</u>                |
| Cash and cash equivalents at the beginning of the financial year                  | 634.21                      | 496.14                       |
| <b>Cash and cash equivalents at end of the year</b>                               | <u>4,148.79</u>             | <u>634.21</u>                |
| <b>Reconciliation of cash and cash equivalents as per the cash flow statement</b> |                             |                              |
| Cash and cash equivalents as per above comprise of the following:                 |                             |                              |
| Cash and cash equivalents (including foreign currencies and Notes)                | 4,148.79                    | -                            |
| Bank at Balance/(Bank overdrafts)                                                 | -                           | 634.21                       |
| <b>Balances as per statement of cash flows</b>                                    | <u>4,148.79</u>             | <u>634.21</u>                |

**Significant Accounting Policies and Notes to the financial statements**

1 to 41

As per our report of even date attached

For JHS Associates LLP

Chartered Accountants

Firm Registration No: 133288W / W100099

**tasnim alihusain**  
**tankiwala**

Tasnim Tankiwala

Partner

Membership No. 108263

Place: Mumbai

Date: 27 March 2023

Digitally signed by tasnim  
alihusain tankiwala  
Date: 2023.03.27 18:14:13 +05'30'

For Cox & Kings Financial Service Limited

**Pardeep Kumar Sethi**

Liquidator of Cox & Kings Financial Service Limited - In  
Liquidation (Erstwhile Resolution Professional)  
IBBI Registration no. IBBI/PA-001/IP-P00711/2017-  
2018/11265

Place: Mumbai

Date: 27 March 2023

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

### **1. Significant Accounting Policies**

#### **A. General information**

Cox and Kings Financial Service Limited ('the Company') is engaged in the business of foreign exchange services. The company is a Public limited company incorporated and domiciled in India and has its registered office at Mumbai, Maharashtra, India.

#### **B. Basis of preparation**

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the Companies Act, 2013.

The significant accounting policies used in preparing financial statements set out below and is applied consistently to all the periods presented

#### **C. Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

- a) Certain financial instruments (including derivative instruments) measured at fair value through profit or loss
- b) Defined benefit plans – plan assets measured at fair value
- c) Employee stock option plans measured at fair value

#### **D. Functional and presentation currency**

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency.

#### **E. Key estimates and assumptions**

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement. The actual amounts realised may differ from these estimates.

##### **a) Estimates and assumptions are required in particular for:**

Recognition and measurement of defined benefit obligations: The obligation arising from defined benefit plan is Determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting

period on government bonds. The period to maturity of the Underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

**b) Recognition of deferred tax liabilities**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carryforwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized

**c) Provisions and contingent liabilities**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of Judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take into account changing facts and circumstances.

**d) Fair Value measurement**

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### **E) Significant accounting policies**

##### **i) Foreign currency transaction and translation**

Transactions in foreign currencies are translated into the respective functional currencies at exchange rates on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognized in profit or loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses). Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was measured.

##### **ii) Revenue recognition**

- **Income from Foreign Currency**

Revenue on foreign exchange services is recognized at the time of sale. Revenue reflects margin made on business volume. Profit or loss on purchase and sale of foreign exchange by the Company are accounted as part of the revenue.

- **Interest and Dividend**

Interest is recognized on effective interest rate method. Dividend income is recognized when the right to receive the payment is established.

### iii) Employee benefits

- **Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- **Post-Employment Employee Benefits**

**Defined contribution plans**

The Company makes specified monthly contributions towards employee provident fund directly to the Government under the Employees Provident Fund Act, 1952 and is not obliged to bear the shortfall, if any, between the return on investments made by the Government from the contributions and the notified interest rate.

**Defined benefit plans**

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any Future funds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in Profit & Loss A/c. When the benefits of a plan are

changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- **Other long-term employee benefits**

Long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognized in the Statement of Profit and Loss.

**iv) Finance income and finance costs**

The Company's finance income and finance costs include:

- interest income; interest expense;
- exchange differences arising from monetary assets and liabilities
- interest income or expense is recognized using the effective interest rate method.

**v) Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates items recognised directly in equity or in OCI.

- **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset only if:

- there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority; and
- there is intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in

subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

- **Minimum Alternate Tax (MAT)**

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the Guidance Note issued by the ICAI, the said assets is created by way of a credit to the Statement of Profit and Loss

**vi) Property, plant and equipment**

- **Recognition and measurement**

All items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non- refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and

equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

- **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

- **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided under the written down method, based on useful lives of assets as prescribed in Schedule II to the Act. Depreciation is charged on a monthly pro-rata basis for assets purchased or sold during the year.

Leasehold improvements are depreciated over the lease period or at the rates prescribed in Companies act 2013 whichever is higher.

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

- **Intangible assets**

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized over a period of five to ten years, being the expected period of use, which in Management's estimate represents the period during which the economic benefits will be derived from their use. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

- **Impairment of non-financial assets**

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management

Periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss

was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **vii) Borrowing cost**

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

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

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

#### **viii) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and foreign currencies and notes, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **ix) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

##### **• Financial assets**

##### **Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **Debt instruments**

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

### **Equity investments**

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. Further

investment in subsidiaries, joint venture and associates are carried at cost. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- **Financial liabilities**

#### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not

designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

### **Derecognition**

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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **Derivative financial instruments**

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

- **Hedging**

In order to hedge its exposure to commodity price risk, the Company enters into non speculative hedges, such as forward, option or swap contracts and other appropriate derivative instruments. These instruments are used only for the purpose of managing the exposure to commodity price risk and not for speculative purposes. The premium and gains / losses arising from settled derivative contracts, and mark to market (MTM) losses in respect of outstanding derivative contracts as at balance sheet date are credited for gains or charged for losses to the raw material consumed in so far as it relates to the derivative instruments taken to hedge risk of movement in price of Raw Material, the net MTM gains in respect of outstanding derivatives contracts are not recognized on conservative basis.

The Company has not designated any hedging relationships between hedged items and hedging instruments.

### **x) Segment Reporting**

The Management monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on

profit and loss and is measured consistently with profit or loss in the financial statements.

The company is predominantly engaged in business of Foreign Currency trading segment, whose revenue and Operating income are reviewed regularly by Management.

As such there are no separate reportable segments as per Ind-AS 108.

#### **xi) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### **xii) Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company;  
fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the

acquisition date except certain assets and liabilities required to be measured as per the applicable standard.

Goodwill arising on acquisition is recognised as an asset, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities recognised and contingent liabilities assumed.

Goodwill is not subject to amortisation but is tested for impairment annually along with the Cash Generating Unit ('CGU') to which it is allocated. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Consolidated Statement of Profit and Loss on disposal.

In the case of bargain purchase, the resultant gain is recognised as Capital Reserve.

### **xiii) Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use

assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

### **Company as a lessor**

At the inception of the lease the company classifies each of its leases as either an operating lease or a finance lease. The company recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

### **xiv) Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

| <b>2 Cash and cash equivalents*</b>                   |                    | <b>(Amount in INR '000)</b> |
|-------------------------------------------------------|--------------------|-----------------------------|
| <b>Particulars</b>                                    | <b>31 March 22</b> | <b>31 March 21</b>          |
| Balances with banks                                   |                    |                             |
| - in current accounts                                 | 4,148.79           | 634.21                      |
| Cash on hand (including foreign currencies and notes) | -                  | -                           |
| <b>Total cash and cash equivalents</b>                | <b>4,148.79</b>    | <b>634.21</b>               |

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

In respect of Company's Bank balances & Bank Overdrafts from banks and financial institutions, in the absence of sufficient and appropriate information on Bank reconciliations, completeness of number of bank accounts held by the Company, Bank Statements and Confirmation, the accuracy of Balances reflecting in financial statements, etc. cannot be verified and may be materially misstated to that extent.

\*Balances with banks is as per the available information, records and bank statements except in case of few bank statements which are not available in which case balance appearing in the books has been considered.

During the year ended 31 March 2022, bank balance amounting to INR 163.75 thousands have been written off due to difference in the bank statements and bank balance as per books.

| <b>3 Trade receivables</b>                      |                       | <b>(Amount in INR '000)</b> |
|-------------------------------------------------|-----------------------|-----------------------------|
| <b>Particulars</b>                              | <b>31 March 22</b>    | <b>31 March 21</b>          |
| Unsecured                                       |                       |                             |
| - Considered good                               | 43,14,528.68          | 43,14,533.43                |
| <b>Less: Allowance for expected credit loss</b> | <b>(43,14,528.68)</b> | <b>(43,14,528.68)</b>       |
| <b>Total Trade Receivables</b>                  | <b>-</b>              | <b>4.75</b>                 |

**Trade Receivables Ageing Schedule**

The Company went into CIRP on 7 May 2021 and the complete assets, liabilities, records, documents could not be gathered by RP due to non co-operation from KMPs, suspended director, promoters of the company. Due to these limitations, partywise listing and ageing of trade receivables was not available as on CIRP Commencement date i.e. 7 May 2021 and hence Ageing Schedule cannot be presented for the year ended 31 March 2022 and 31 March 2021.

In the absence of sufficient information, records and documents, party wise listing of trade receivables confirmation and other details like party name, tax identification numbers, contact details, correspondence or billing details, etc. an internal assessment was carried out and the substantial amount of trade receivables of INR 43,14,528.68 thousand was highly unlikely to be recovered, hence the same was provided for during the year ended 31 March 2020. The provision has been evaluated and retained as on reporting date.

| <b>4 Investments</b>                                                                                 |                    | <b>(Amount in INR '000)</b> |
|------------------------------------------------------------------------------------------------------|--------------------|-----------------------------|
| <b>Particulars</b>                                                                                   | <b>31 March 22</b> | <b>31 March 21</b>          |
| - Mutual fund (Liquid Fund)*                                                                         | -                  | 538.23                      |
| <b>Total Carrying Value</b>                                                                          | <b>-</b>           | <b>538.23</b>               |
| Aggregate amount of unquoted Equity Instrument carried at fair value through profit and loss account | -                  | -                           |
| Aggregate amount of unquoted Equity Instrument carried at fair value through OCI                     | -                  | -                           |
|                                                                                                      | -                  | -                           |

\*During the year Mutual fund investment was sold for INR 564.19 thousand resulting in Profit on sale of investments amounting to INR 25.96 thousand.

**5 Other financial assets****(Amount in INR '000)**

| <b>Particulars</b>                                      | <b>31 March 22</b>   | <b>31 March 21</b>   |
|---------------------------------------------------------|----------------------|----------------------|
| Statutory receivable                                    | 3,043.40             | 2,262.32             |
| Security deposits                                       | 1,05,745.00          | 1,05,745.00          |
| Incentive receivable                                    | 5,376.03             | 5,376.03             |
| Amount due from Employees                               | 613.84               | 613.84               |
| Other Receivables                                       | 2,89,837.83          | 2,89,671.35          |
| Advance to Vendor                                       | 61,421.82            | 61,421.82            |
| <b>Total other financial assets</b>                     | <b>4,66,037.92</b>   | <b>4,65,090.36</b>   |
| <i>Less: Impairment allowance for other receivables</i> | <i>(2,89,671.35)</i> | <i>(2,89,671.35)</i> |
| <i>Less: Impairment allowance for Advance to Vendor</i> | <i>(61,421.82)</i>   | <i>(61,421.82)</i>   |
| <i>Less: Impairment allowance for deposits</i>          | <i>(1,05,745.00)</i> | <i>(1,05,745.00)</i> |
| <i>Less: Impairment allowance for other assets</i>      | <i>(8,252.19)</i>    | <i>(8,252.19)</i>    |
| <b>Net other financial assets</b>                       | <b>947.56</b>        | <b>-</b>             |

**Note:**

In the absence of relevant information, documents and records, the recoverability of other financial assets is highly unlikely and basis the estimate the same were fully impaired during the year ended 31 March 2020. The provision has been evaluated and retained as on reporting date. Balance amounting to INR 947.56 thousand which includes GST Input Credit availed during the CIRP period amounting to INR 781.08 thousand and other assets amounting to INR 166.48 thousand in the form of Bank Charges recoverable from Bank since wrongly charged during the CIRP period.

**6 Deferred tax liabilities / assets****The balance comprises temporary difference attributable to:****(Amount in INR '000)**

| <b>Particulars</b>                                                   | <b>31 March 22</b> | <b>31 March 21</b> |
|----------------------------------------------------------------------|--------------------|--------------------|
| <u>Tax effect of items constituting Deferred Tax Liabilities</u>     |                    |                    |
| - On Difference between book balance and tax balance of fixed assets | 2,361.00           | 2,361.00           |
|                                                                      | 2,361.00           | 2,361.00           |
| <u>Tax effect of items constituting Deferred Tax Assets</u>          |                    |                    |
| - Demerger Expenses                                                  | -                  | -                  |
| - Preliminary Expenses                                               | -                  | -                  |
| - Provision for Employee's Benefits - Gratuity                       | -                  | -                  |
| - Provision for Employee's Benefits - Leave Encashment               | -                  | -                  |
| - Provision for Employee's Benefits - Bonus                          | -                  | -                  |
|                                                                      | -                  | -                  |
| Total deferred tax liabilities / (assets)                            | <b>(2,361.00)</b>  | <b>(2,361.00)</b>  |
| Set-off of deferred tax liabilities pursuant to set-off provisions   |                    |                    |
| <b>Net deferred tax liabilities/ (assets)</b>                        | <b>(2,361.00)</b>  | <b>(2,361.00)</b>  |

No further deferred tax liability is created after the quarter ended 30 June 2019, in the absence of relevant information, records and documents.

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**7 Property, plant and equipment**

The changes in carrying value of property, plant and equipment for the period ended 31 March 2022 and 31 March 2021

| (Amount in INR '000)                          |                  |          |                 |                         |                        |                 |                          |
|-----------------------------------------------|------------------|----------|-----------------|-------------------------|------------------------|-----------------|--------------------------|
| Particulars                                   | Office Equipment | Vehicles | Computers       | Electrical Installation | Furniture And Fittings | Total           | Capital work-in-progress |
| <b>i Gross carrying amount</b>                |                  |          |                 |                         |                        |                 |                          |
| Balance as at 01 April 2021                   | 521.31           | -        | 6,949.89        | -                       | 112.79                 | 7,583.99        | 11,250.00                |
| Additions                                     | -                | -        | -               | -                       | -                      | -               | -                        |
| Disposals                                     | -                | -        | -               | -                       | -                      | -               | -                        |
| Impairment *(Note a)                          | -                | -        | -               | -                       | -                      | -               | 11,250.00                |
| <b>Balance as at 31 March 2022</b>            | <b>521.31</b>    | <b>-</b> | <b>6,949.89</b> | <b>-</b>                | <b>112.79</b>          | <b>7,583.99</b> | <b>-</b>                 |
| <b>ii Accumulated Depreciation</b>            |                  |          |                 |                         |                        |                 |                          |
| Balance as at 01 April 2021                   | 379.96           | -        | 6,363.24        | -                       | 73.19                  | 6,816.39        | -                        |
| Depreciation charge during the year*(Note b)  | 6.09             | -        | 18.98           | -                       | 1.04                   | 26.11           | -                        |
| Disposals                                     | -                | -        | -               | -                       | -                      | -               | -                        |
| <b>Balance as at 31 March 2022</b>            | <b>386.05</b>    | <b>-</b> | <b>6,382.22</b> | <b>-</b>                | <b>74.23</b>           | <b>6,842.51</b> | <b>-</b>                 |
| <b>iii Net Carrying Amount (i - ii)</b>       |                  |          |                 |                         |                        |                 |                          |
| Balance as at 31 March 2022                   | 135.25           | -        | 567.67          | -                       | 38.56                  | 741.48          | -                        |
| Less: Impairment during FY 2021-22*(Note d)   | -                | -        | -               | -                       | -                      | -               | 59.93                    |
| <b>Net Carrying Value as at 31 March 2022</b> | <b>135.25</b>    | <b>-</b> | <b>567.67</b>   | <b>-</b>                | <b>38.56</b>           | <b>741.48</b>   | <b>-</b>                 |
| <b>Balance as at 31 March 2021 *(Note c)</b>  | <b>141.34</b>    | <b>-</b> | <b>586.65</b>   | <b>-</b>                | <b>39.60</b>           | <b>767.60</b>   | <b>-</b>                 |

| (Amount in INR '000)                    |                  |          |                 |                         |                        |                 |                          |
|-----------------------------------------|------------------|----------|-----------------|-------------------------|------------------------|-----------------|--------------------------|
| Particulars                             | Office Equipment | Vehicles | Computers       | Electrical Installation | Furniture And Fittings | Total           | Capital work-in-progress |
| <b>i Gross carrying amount</b>          |                  |          |                 |                         |                        |                 |                          |
| Balance as at 01 April 2020             | 521.31           | -        | 6,949.89        | -                       | 112.79                 | 7,583.99        | 11,250.00                |
| Additions                               | -                | -        | -               | -                       | -                      | -               | -                        |
| Disposals                               | -                | -        | -               | -                       | -                      | -               | -                        |
| Impairment *(Note a)                    | -                | -        | -               | -                       | -                      | -               | -                        |
| Assets Written off *(Note b)            | -                | -        | -               | -                       | -                      | -               | 11,250.00                |
| <b>Balance as at 31 March,2021</b>      | <b>521.31</b>    | <b>-</b> | <b>6,949.89</b> | <b>-</b>                | <b>112.79</b>          | <b>7,583.99</b> | <b>-</b>                 |
| <b>ii Accumulated Depreciation</b>      |                  |          |                 |                         |                        |                 |                          |
| Balance as at 01 April 2021             | 298.20           | -        | 6,097.11        | -                       | 61.04                  | 6,456.34        | -                        |
| Depreciation charge during the year     | 81.76            | -        | 266.13          | -                       | 12.16                  | 360.06          | -                        |
| Disposals                               | -                | -        | -               | -                       | -                      | -               | -                        |
| Assets Written off                      | -                | -        | -               | -                       | -                      | -               | -                        |
| <b>Balance as at 31 March,2021</b>      | <b>379.96</b>    | <b>-</b> | <b>6,363.24</b> | <b>-</b>                | <b>73.19</b>           | <b>6,816.39</b> | <b>-</b>                 |
| <b>iii Net Carrying Amount (i - ii)</b> |                  |          |                 |                         |                        |                 |                          |
| Balance as at 31 March 2021 *(Note c)   | 141.34           | -        | 586.65          | -                       | 39.60                  | 767.60          | -                        |
| <b>Balance as at 31 March 2020</b>      | <b>223.11</b>    | <b>-</b> | <b>852.78</b>   | <b>-</b>                | <b>51.76</b>           | <b>1,127.65</b> | <b>-</b>                 |

**Disclosure requirement**

**(i) Leased assets**

There is no assets under finance lease agreement

**(ii) Property, plant and equipment pledged as security**

No Property plant and equipment is pledged as security

**(iii) Contractual obligations**

There is no contractual commitments outstanding as on 31 March 2022 for the acquisition of property, plant and equipment.

*\*Note a:* In the absence of relevant information, records and documents on basis the estimate made by the management, Capital work in progress amounting to Rs. 11,250.00 thousand has been fully impaired during the year ended 31 March 2020

*Note b:* Depreciation has been charged upto 7 May 2021 i.e. initiation of CIRP date and valuation was conducted for all the assets as on 7 May 2021 and PPE balance is stated as per the value given by the registered valuer

*Note c:* PPE having written down value of Rs.767.60 thousand as at 31 March 2020 is retained in the books of accounts because the valuation required under the IBC, 2016 for the above mentioned assets was under process at the time of finalisation of 31 March 2021 financial statements.

*Note d:* The PPE as at 31 March 2022 is valued on the basis of the Valuation Reports received from the valuer appointed under CIRP wherein Valuation of Assets was conducted as on 7 May 2021. The difference between the carrying value and the realisable value as per the valuation report is shown as impairment gain/loss.

## 8 Intangible assets

(Amount in INR '000)

| Particulars                             | Computer software | Impairment * (Note a) | Total     |
|-----------------------------------------|-------------------|-----------------------|-----------|
| <b>i Gross carrying amount</b>          |                   |                       |           |
| Balance as at 01 April 2021             | 10,471.72         |                       | 10,471.72 |
| Additions                               | -                 |                       | -         |
| Balance as at 31 March 2022             | 10,471.72         |                       | 10,471.72 |
| <b>ii Accumulated Depreciation</b>      |                   |                       |           |
| Balance as at 01 April 2021             | 3,804.33          |                       | 3,804.33  |
| Depreciation charge during the year     | -                 |                       | -         |
| Assets Written off                      | -                 |                       | -         |
| Balance as at 31 March 2022             | 3,804.33          |                       | 3,804.33  |
| <b>iii Net Carrying Amount (i - ii)</b> |                   |                       |           |
| Balance as at 31 March 2022             | 6,667.38          | (6,667.38)            | -         |
| Balance as at 31 March 2021             | 6,667.38          | (6,667.38)            | -         |

(Amount in INR '000)

| Particulars                             | Computer software | Impairment *(Note a) | Total     |
|-----------------------------------------|-------------------|----------------------|-----------|
| <b>i Gross carrying amount</b>          |                   |                      |           |
| Balance as at 01 April 2020             | 10,471.72         |                      | 10,471.72 |
| Additions                               | -                 |                      | -         |
| Assets Written off                      | -                 |                      | -         |
| Balance as at 31 March 2021             | 10,471.72         |                      | 10,471.72 |
| <b>ii Accumulated Depreciation</b>      |                   |                      |           |
| Balance as at 01 April 2020             | 3,804.33          |                      | 3,804.33  |
| Depreciation charge during the year     | -                 |                      | -         |
| Assets Written off                      | -                 |                      | -         |
| Balance as at 31 March 2021             | 3,804.33          |                      | 3,804.33  |
| <b>iii Net Carrying Amount (i - ii)</b> |                   |                      |           |
| Balance as at 31 March 2021             | 6,667.38          | (6,667.38)           | -         |
| Balance as at 31 March 2020             | 6,667.38          | -                    | 6,667.38  |

\*Note a: In the absence of relevant information, records and documents on the availability and realisability of the intangible assets and the estimate made, intangible assets amounting to Rs. 6,667.38 thousand were fully impaired during the year ended 31 March 2020.

### Disclosure requirement

#### (i) Contractual obligations

There is contractual commitment for Rs. Nil (PY: NIL) outstanding as on 31 March 2022.

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

| <b>9 Other non-financial assets</b>     |                    | <b>(Amount in INR '000)</b> |
|-----------------------------------------|--------------------|-----------------------------|
| <b>Particulars</b>                      | <b>31 March 22</b> | <b>31 March 21</b>          |
| Security deposits                       |                    |                             |
| Incentive receivable                    |                    |                             |
| <b>Total other non-financial assets</b> | <b>-</b>           | <b>-</b>                    |

| <b>10 Trade payables</b>    |                    | <b>(Amount in INR '000)</b> |
|-----------------------------|--------------------|-----------------------------|
| <b>Particulars</b>          | <b>31 March 22</b> | <b>31 March 21</b>          |
| <b>Current</b>              |                    |                             |
| Trade payables*             | 1,96,843.18        | 1,90,408.14                 |
| Stale Cheque                | -                  | -                           |
| Others                      | -                  | -                           |
| <b>Total Trade Payables</b> | <b>1,96,843.18</b> | <b>1,90,408.14</b>          |

**Trade Payables Ageing Schedule**

The Company went into CIRP on 7 May 2021 and the complete assets, liabilities, records, documents could not be gathered by RP due to non co-operation from KMPs, suspended director, promoters of the company. Due to these limitations, partywise listing and ageing of trade payables was not available as on CIRP Commencement date i.e. 7 May 2021 and hence Ageing Schedule cannot be presented for the year ended 31 March 2022 and 31 March 2021.

Above Trade Payables includes expenses incurred by RP during the CIRP period which were outstanding amounting to INR 4,671.48 thousand and provision for expenses amounting to INR 1,763.83 thousand for the year ended 31 March 2022 and the same are outstanding for less than 1 year.

\*The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act has not been given.

Further, trade payables to MSME parties for pre CIRP period is required to be processed through operational creditor claims as per the provision of the IBC. Accordingly, all such dues prior to CIRP period are not required to be bifurcated into MSME and Non MSME payables.

The Liquidator after his appointment was able to take charge of the assets, liabilities, records, books of accounts and other documents available at the corporate office of the company. The complete assets, liabilities, records, documents could not be gathered due to non co-operation from KMPs, suspended director, promoters of the company. Due to these limitations, partywise listing of trade payables as on CIRP commencement date (i.e., 7 May 2021) is not available.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**11 Borrowings**

| Particulars                   | March 31, 2022      |                                      |                                                 | March 31, 2021      |                     |                                      |
|-------------------------------|---------------------|--------------------------------------|-------------------------------------------------|---------------------|---------------------|--------------------------------------|
|                               | At Amortised Cost   | At fair value through profit or Loss | Designated at fair value through profit or loss | Total               | At Amortised Cost   | At fair value through profit or Loss |
| (a) Loans repayable on demand |                     |                                      |                                                 |                     |                     |                                      |
| (i) from banks*               | 54,28,491.30        | -                                    | -                                               | 54,28,491.30        | 49,09,582.81        | -                                    |
| (ii) Bank Overdraft           | -                   | -                                    | -                                               | -                   | -                   | -                                    |
| <b>Total (A)</b>              | <b>54,28,491.30</b> | <b>-</b>                             | <b>-</b>                                        | <b>54,28,491.30</b> | <b>49,09,582.81</b> | <b>-</b>                             |

\*Loan from Bank is secured against hypothecation of all current assets and guaranteed by Promoter group.

\*Yes Bank Limited, in its capacity as the financial creditor of Cox & Kings Financial Service Limited ('CKFSL' or 'Corporate Debtor'), filed an application under Section 7 of the Insolvency and Bankruptcy Code ('IBC'), 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble Adjudicating Authority, i.e. National Company Law Tribunal, at Mumbai ('Hon'ble NCLT Mumbai') for initiation of Corporate Insolvency Resolution Process ('CIRP') for the Corporate Debtor under the provisions of the Insolvency and Bankruptcy Code 2016. The said Application of Yes Bank Limited has since been admitted by the Hon'ble NCLT Mumbai vide its order dated 7 May 2021 ("Order") and the CIRP has commenced from the date of the order.

However, in view of the fact that no viable resolution plan has been received, the COC has resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company has been filed with the NCLT on 8th June, 2022. The Hon'ble NCLT Mumbai has ordered the commencement of liquidation of the Cox & Kings Financial Service Limited on 11 October 2022

In the absence of relevant information and data, date of default for both Term Loan and Working Capital Loan is not known and thereby the schedule of default of amount and period is not disclosed.

Loan amount outstanding as on 31 March 2022 from Bank includes the following:

| Particulars            | (Amount in INR '000) |                     |                                       |
|------------------------|----------------------|---------------------|---------------------------------------|
|                        | Principal Amount     | Interest Amount     | Total Outstanding as on 31 March 2022 |
| Working Capital Demand |                      |                     |                                       |
| Loan                   | 35,00,000.00         | 12,05,685.27        | 47,05,685.27                          |
| Cash Credit            | 4,83,750.10          | 2,39,055.94         | 7,22,806.03                           |
| <b>Total</b>           | <b>39,83,750.10</b>  | <b>14,44,741.20</b> | <b>54,28,490.30</b>                   |

**12 Other Financial liabilities****(Amount in INR '000)**

| Particulars                              | 31 March 22      | 31 March 21      |
|------------------------------------------|------------------|------------------|
| Employee Payables                        | 1,493.04         | 1,493.04         |
| Earnest Money Deposits****               | 1,500.00         | -                |
| Corpus Fund***                           | 4,504.52         | -                |
| Interest on Income Taxes*                | 17,844.35        | 17,844.35        |
| Statutory tax payables**                 | 622.62           | 32.42            |
| Trade Deposits                           | 10.00            | 10.00            |
| <b>Total Other financial liabilities</b> | <b>25,974.53</b> | <b>19,379.81</b> |

\*Interest on income taxes are recorded in the books of accounts only to the extent of the available information, records and documents.

\*\*Statutory dues represents withholding taxes payable on salary provided on the basis of information, records and documents available with the resolution professional. No other statutory dues payable to the employees are accounted for in the absence of relevant information.

Statutory dues includes TDS payable during CIRP Period amounting to INR 590.20 thousand

Goods and service tax receivables upto CIRP commencement date (i.e., 7 May 2021) net of amount payable is impaired considering remote possibility of the recoverability of the same from the Governmental authorities in the absence of relevant information, records and documents.

\*\*\*Corpus Fund includes amount funded by Committee of Creditors for the purpose of meeting the CIRP Cost.

\*\*\*\*Earnest Money Deposit represents Deposits received from Resolution Applicants during the CIRP period.

**13 Income tax liabilities****(Amount in INR '000)**

| Particulars                         | 31 March 22     | 31 March 21     |
|-------------------------------------|-----------------|-----------------|
| Provision for Current Tax           | 1,06,538        | 1,06,538        |
| Less: Advance Tax                   | 3,806           | 3,806           |
| <b>Total Income tax liabilities</b> | <b>1,02,732</b> | <b>1,02,732</b> |

**14 Provisions****(Amount in INR '000)**

| Particulars             | 31 March 22      | 31 March 21      |
|-------------------------|------------------|------------------|
| Employee Benefit        | 29,470.82        | 29,470.82        |
| <b>Total Provisions</b> | <b>29,470.82</b> | <b>29,470.82</b> |

| Employee benefit obligations              |                  | (Amount in INR '000) |
|-------------------------------------------|------------------|----------------------|
| Particulars                               | 31 March 22      | 31 March 21          |
| Leave Encashment                          | 18,028.28        | 18,028.28            |
| Gratuity                                  | 11,442.54        | 11,442.54            |
| <b>Total Employee benefit obligations</b> | <b>29,470.82</b> | <b>29,470.82</b>     |

Note: The operations of the company were actively carried on upto October 2019, after which majority of the employees resigned from the company. In the absence of relevant information such as the employee wise resigning date and salary details the liability of gratuity and leave encashment is not ascertainable and not provided for as at 31 March 2021, in the absence of information the existing provisions made upto June 2019 are continued and being reflected in the financial statements. The company has gone into CIRP on 7 May 2021 and subsequently since no resolution was approved, Company went into liquidation on 11 October 2022, under IBC and all claims of the employees, including that for leave encashment and gratuity will be entertained through the claims submitted by employees.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**15 Equity**

| <b>Equity share capital</b> (Amount in INR '000) |                         |               |
|--------------------------------------------------|-------------------------|---------------|
| <b>Particulars</b>                               | <b>Number of shares</b> | <b>Amount</b> |
| As at 31 March 2021                              | 7,28,54,454.00          | 7,28,544.54   |
| Increase during the year                         | -                       | -             |
| As at 31 March 2022                              | 7,28,54,454.00          | 7,28,544.54   |

Equity shares have a par value of ₹10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

|                                        | <b>31 March 22</b>      |                  | <b>31 March 21</b>      |                  |
|----------------------------------------|-------------------------|------------------|-------------------------|------------------|
|                                        | <b>Number of shares</b> | <b>% holding</b> | <b>Number of shares</b> | <b>% holding</b> |
| Cox and Kings Limited                  | 1,40,00,000             | 19.22%           | 1,40,00,000             | 19.22%           |
| Liz Traders And Agent Private Limited  | 58,03,900               | 7.97%            | 58,03,900               | 7.97%            |
| Sneh Sadan Traders And Agent Ltd       | 1,11,48,937             | 15.30%           | 1,11,48,937             | 15.30%           |
| Kubber Investments (Mauritius) Pvt Ltd | 61,15,520               | 8.39%            | 61,15,520               | 8.39%            |

\*The details of number of shares and % holding has been taken as per the latest information available from the Annual Report of FY 2018-19 filed by the Erstwhile management & directors of the company and the same are subject to confirmation from RTA. The RP approached Registrar & Transfer Agent to provide shareholding details as on 31st March 2022 and the same is awaited.

Reconciliation of the number of shares outstanding as on March 31, 2022 and March 31, 2021 is as follows:

| <b>Particulars</b>             | <b>31 March 22</b> | <b>31 March 21</b> |
|--------------------------------|--------------------|--------------------|
| At the beginning of the period | 7,28,54,454        | 7,28,54,454        |
| Add: Increase during the year  |                    |                    |
| At the end of the period       | 7,28,54,454        | 7,28,54,454        |

**16 Other Equity**

| <b>(Amount in INR '000)</b>                                   |                       |                       |
|---------------------------------------------------------------|-----------------------|-----------------------|
| <b>Particulars</b>                                            | <b>31 March 22</b>    | <b>31 March 21</b>    |
| Statutory Reserve pursuant to Sec - 45IC of the RBI Act, 1934 | 6,666.49              | 6,666.49              |
| Reserves and Surplus Retained Earnings                        | (65,14,625.66)        | (59,86,520.51)        |
| Other items of Other Comprehensive Income                     | (680.30)              | (680.30)              |
| <b>Total Other Equity</b>                                     | <b>(65,08,639.46)</b> | <b>(59,80,534.32)</b> |

**Nature and purpose of each reserve**

**a) Statutory Reserve**

The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by

**b) Retained Earnings**

Retained earnings represent the amount of accumulated earnings of the Company.

**c) Other items of Other Comprehensive Income**

Created on account of items measured through other comprehensive income

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

| <b>17 Revenue from the Operations</b>    | <b>(Amount in INR '000)</b> |                    |
|------------------------------------------|-----------------------------|--------------------|
| <b>Particulars</b>                       | <b>31 March 22</b>          | <b>31 March 21</b> |
| Sale of services                         | -                           | -                  |
| Other Operating Revenue                  | -                           | -                  |
| <b>Total Revenue from the Operations</b> | <b>-</b>                    | <b>-</b>           |

| <b>18 Other Income</b>      | <b>(Amount in INR '000)</b> |                    |
|-----------------------------|-----------------------------|--------------------|
| <b>Particulars</b>          | <b>31 March 22</b>          | <b>31 March 21</b> |
| Interest on FD              | -                           | -                  |
| Gain on Sale of Investments | 26                          | -                  |
| Dividend on MF              | -                           | -                  |
| Other Income                | -                           | -                  |
| <b>Total Other Income</b>   | <b>26</b>                   | <b>-</b>           |

| <b>19 Employee benefit expense*</b>       | <b>(Amount in INR '000)</b> |                    |
|-------------------------------------------|-----------------------------|--------------------|
| <b>Particulars</b>                        | <b>31 March 22</b>          | <b>31 March 21</b> |
| Salaries, wages and bonus                 | -                           | -                  |
| Staff welfare expenses                    | -                           | -                  |
| Contribution to provident and other funds | -                           | -                  |
| <b>Total Employee benefit expense</b>     | <b>-</b>                    | <b>-</b>           |

| <b>20 Finance costs</b>                                                          | <b>(Amount in INR '000)</b> |                    |
|----------------------------------------------------------------------------------|-----------------------------|--------------------|
| <b>Particulars</b>                                                               | <b>31 March 22</b>          | <b>31 March 21</b> |
| Interest and finance charges on financial liabilities measured at amortized cost | 5,18,908.49                 | 5,44,042.20        |
| Other finance cost                                                               | -                           | -                  |
| Interest on Income Tax                                                           | -                           | -                  |
| <b>Total Finance costs</b>                                                       | <b>5,18,908.49</b>          | <b>5,44,042.20</b> |

\*Interest on financial liabilities measured at amortized cost includes interest on working capital loan and cash credit.  
Interest cost includes INR 4,66,809.76 thousand (Previous Year NIL) of provision for interest created during the CIRP

| <b>21 Depreciation and amortisation expense</b>    | <b>(Amount in INR '000)</b> |                    |
|----------------------------------------------------|-----------------------------|--------------------|
| <b>Particulars</b>                                 | <b>31 March 22</b>          | <b>31 March 21</b> |
| Depreciation of property, plant and equipment*     | 26.11                       | 360.05             |
| Amortisation of intangible assets                  | -                           | -                  |
| <b>Total Depreciation and amortisation expense</b> | <b>26.11</b>                | <b>360.05</b>      |

\*Depreciation provided upto 7 May 2021 i.e. initiation of CIRP Date. Post which valuation of Property Plant and Equipment of was carried and difference between the carrying amount and fair value as per valuation reports were impaired during the year.

| <b>22 Impairment Allowance</b>    | <b>(Amount in INR '000)</b> |                    |
|-----------------------------------|-----------------------------|--------------------|
| <b>Particulars</b>                | <b>31 March 22</b>          | <b>31 March 21</b> |
| Impairment of PPE*                | 59.93                       | -                  |
| <b>Total Impairment Allowance</b> | <b>59.93</b>                | <b>-</b>           |

\*The PPE as at 31 March 2022 is valued on the basis of the Valuation Reports received from the valuer appointed under CIRP wherein Valuation of Assets was conducted as on 7 May 2021. The difference between the carrying value and the realisable value as per the valuation report is shown as impairment gain/loss amounting to INR 59.93 thousand.

**23 Other expenses**

(Amount in INR '000)

| Particulars                         | 31 March 22     | 31 March 21  |
|-------------------------------------|-----------------|--------------|
| Commission (net)                    | -               | -            |
| Donation                            | -               | -            |
| Sponsorship                         | -               | -            |
| Legal charges & Preliminary expense | -               | -            |
| Legal and professional fees         | 6,900.87        | -            |
| Communication Cost                  | -               | -            |
| Travel and conveyance               | -               | -            |
| Printing and stationery             | -               | -            |
| Membership & Subscription Cost      | -               | -            |
| Advertisement expenses              | 53.66           | -            |
| Computer Expenses                   | -               | -            |
| Filing Fees                         | -               | -            |
| Depository Charges                  | -               | -            |
| Insurance Expense                   | -               | -            |
| Postage & Courier                   | -               | -            |
| Infrastructure and Support Cost*    | 996.73          | -            |
| Rates & Taxes                       | 3.32            | -            |
| Bank Charges                        | 17.02           | 66.02        |
| Recruitment Cost                    | -               | -            |
| Stamp Duty Charges                  | -               | -            |
| PPE Written off                     | -               | -            |
| Cash Written off                    | -               | -            |
| Bank Balance written off***         | 163.75          | -            |
| Provision for Expected Credit Loss  | -               | -            |
| Loss on Disposal of Fixed Asset     | -               | -            |
| <b>Payments to auditors</b>         |                 |              |
| Audit fees **                       | 1,000.00        | -            |
| Tax audit fees                      | -               | -            |
| Miscellaneous expenses              | 1.23            | -            |
| <b>Total Other Expenses</b>         | <b>9,136.57</b> | <b>66.02</b> |

\*Infrastructure and Support Cost pertains to Rent expenses payable to Cox & Kings Limited for the period 7 May 2021 to 31 December 2021.

\*\* Audit fees include amount of INR 850.00 thousand pertaining to the financial year 31 March 2020 and 31 March 2021 which is treated as CIRP cost.

\*\*\*During the year ended 31 March 2022, bank balance amounting to INR 163.75 thousands have been written off due to difference in the bank statements and bank balance as per books.

**24 Income Taxes**

Income tax expenses in statements of Profit and Loss comprises:

(Amount in INR '000)

| Particulars                                     | 31 March 22 | 31 March 21 |
|-------------------------------------------------|-------------|-------------|
| (a) Income tax expense                          |             |             |
| Current tax                                     |             |             |
| Current tax on profits for the year             |             |             |
| Adjustments for current tax of prior periods    |             |             |
| <b>Total current tax expense</b>                | -           | -           |
| Deferred tax                                    |             |             |
| Decrease (increase) in deferred tax assets      | -           | -           |
| (Decrease) increase in deferred tax liabilities | -           | -           |
| <b>Total deferred tax expense/(benefit)</b>     | -           | -           |
| <b>Income tax expense</b>                       | -           | -           |

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**(Amount in INR '000)**

**25 Disclosure as per IND AS 19 (Revised) "Employee Benefits" are as under:**

**Defined contribution plan\***

Contribution to defined contribution plan, recognised are charged off for the year are as under:

**(Amount in INR '000)**

| Particulars                                    | 31 March 22 | 31 March 21 |
|------------------------------------------------|-------------|-------------|
| Employer's contribution to Provident Fund      | -           | -           |
| Employer's contribution to Family Pension Fund | -           | -           |
| Employer's contribution to ESIC                | -           | -           |

The Company operates post retirement benefit plans as follows:

**I. Reconciliation of opening and closing balances of defined benefit obligation**

**(Amount in INR '000)**

| Particulars                                         | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|-----------------------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                                     | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Defined benefit obligation at beginning of the year | 11,442.54           | 11,442.54   | 18,028.28                       | 18,028.28   |
| Current service cost                                | -                   | -           | -                               | -           |
| Interest cost                                       | -                   | -           | -                               | -           |
| Past Service Cost                                   | -                   | -           | -                               | -           |
| Actuarial (gain)/ loss                              | -                   | -           | -                               | -           |
| Benefits paid                                       | -                   | -           | -                               | -           |
| Defined benefit obligation at year end              | 11,442.54           | 11,442.54   | 18,028.28                       | 18,028.28   |

**II. Reconciliation of opening and closing balances of fair value of plan assets**

**(Amount in INR '000)**

| Particulars                                        | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|----------------------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                                    | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Fair value of plan assets at beginning of the year | -                   | -           | -                               | -           |
| Expected return on plan assets                     | -                   | -           | -                               | -           |
| Actuarial gain/ (loss)                             | -                   | -           | -                               | -           |
| Employer contribution                              | -                   | -           | -                               | -           |
| Benefits paid                                      | -                   | -           | -                               | -           |
| Fair value of plan assets at year end              | -                   | -           | -                               | -           |
| Actual return on Plan Asset                        | -                   | -           | -                               | -           |

**III. Reconciliation of fair value of assets and obligations**

**(Amount in INR '000)**

| Particulars                        | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                    | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Fair value of plan assets          | -                   | -           | -                               | -           |
| Present value of obligation        | 11,442.54           | 11,442.54   | 18,028.28                       | 18,028.28   |
| Amount recognised in Balance Sheet | 11,442.54           | 11,442.54   | 18,028.28                       | 18,028.28   |

**IV. Expenses recognised during the year**

| Particulars                                   | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|-----------------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                               | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Current service cost                          | -                   | -           | -                               | -           |
| Interest cost on benefit obligation           | -                   | -           | -                               | -           |
| Actuarial (gain)/ loss recognised in the year | -                   | -           | -                               | -           |
| Expected return on plan assets                | -                   | -           | -                               | -           |
| Net benefit expense/ (income)                 | -                   | -           | -                               | -           |

**V. Actuarial assumptions**

| Particulars                                   | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|-----------------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                               | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Mortality Table                               | -                   | -           | -                               | -           |
| Discount rate (per annum)                     | -                   | -           | -                               | -           |
| Expected rate of return on assets (per annum) | -                   | -           | -                               | -           |
| Rate of escalation in salary (per annum)      | -                   | -           | -                               | -           |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

**VI. Amount recognised in current year and previous two years** (Amount in INR '000)

| Particulars                                | Gratuity (unfunded) |             | Compensated Absences (unfunded) |             |
|--------------------------------------------|---------------------|-------------|---------------------------------|-------------|
|                                            | 31 March 22         | 31 March 21 | 31 March 22                     | 31 March 21 |
| Gratuity                                   |                     |             |                                 |             |
| Defined benefit obligation                 | 11,442.54           | 11,442.54   | 18,028.28                       | 18,028.28   |
| Fair value of planned assets               |                     | -           |                                 | -           |
| (Surplus)/ Deficit in the plan             |                     | -           |                                 | -           |
| Actuarial (gain)/ loss on plan liabilities |                     | -           |                                 | -           |
| Actuarial gain/ (loss) on plan assets      |                     | -           |                                 | -           |

**Sensitivity Analysis - Gratuity**

| Particulars | DR Discount Rate |             | ER- Salary Escalation Rate |             |
|-------------|------------------|-------------|----------------------------|-------------|
|             | PVO DR + 1%      | PVO DR - 1% | PVO ER + 1%                | PVO ER - 1% |
| PVO         | -                | -           | -                          | -           |

**Sensitivity Analysis - Compensated Absence**

| Particulars | DR Discount Rate |             | ER- Salary Escalation Rate |             |
|-------------|------------------|-------------|----------------------------|-------------|
|             | PVO DR + 1%      | PVO DR - 1% | PVO ER + 1%                | PVO ER - 1% |
| PVO         | -                | -           | -                          | -           |

**Expected Payout**

| Particulars                         | Expected outgo<br>First year | Expected outgo<br>Second year | Expected outgo<br>Third year | Expected outgo<br>Fourth year | Expected outgo<br>Fifth year | Expected outgo<br>Six to Ten years |
|-------------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|------------------------------------|
| PVO payouts- (Gratuity)             | -                            | -                             | -                            | -                             | -                            | -                                  |
| PVO payouts- (Compensated Absences) | -                            | -                             | -                            | -                             | -                            | -                                  |

These plans typically expose the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk Since the scheme is unfunded the company is not exposed to investment risk.

Interest risk Since the scheme is unfunded the company is not exposed to interest risk.

Longevity risk The company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

Salary risk The company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

**Note**

The company was operational only upto October 2019 after which all the operations of the company ceased and majority of the employees of the company resigned.

Provision for gratuity and leave encashment was made only for first quarter ended June 2019. In the absence of sufficient information, no actuarial valuation as per Ind AS 19 has been carried out for the year ended 31 March 2022 and hence information disclosed above pertains only to the previous year ended 31 March 2019.

Claims for gratuity and unpaid leave balances prior to CIRP date will be paid through claims as per the provisions of IBC.

**26 Segment Reporting:**

The Company is engaged in the business of purchase and sale of foreign currencies in a single geography viz, India. The Information reported to management for assessment of performance of business and allocation of resources are under this segment. Accordingly, the Company has identified a single segment under Ind AS 108 - "Operating Segments".

**27 Earnings per share (EPS)**

| Particulars                                                                                                   | 31 March 22   | 31 March 21   |
|---------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In INR) | (5,28,105.14) | (5,44,468.27) |
| Weighted average number of Equity shares (Basic) (No.) (In '000)                                              | 72,854.45     | 72,854.45     |
| Weighted average number of Equity Shares (Diluted) (No.) (In '000)                                            | 72,854.45     | 72,854.45     |
| Basic Earnings per share (EPS) (In INR)                                                                       | (7.25)        | (7.47)        |
| Diluted Earnings per share (EPS) (In INR)                                                                     | (7.25)        | (7.47)        |
| Face Value Per Equity Shares (In INR)                                                                         | 10.00         | 10.00         |

**28 Related party Disclosure- As per Ind AS 24, the disclosures of transactions with the related parties are given below****List of Key Managerial Personnel (KMP)**

| Particulars                             | Designation                                                |
|-----------------------------------------|------------------------------------------------------------|
| 1. Vellattuputhanveetil Ravindran Menon | Whole-time director (resigned with effect from 14.10.2015) |
| 2. Sampath Kumar Krishnan               | Whole-time director                                        |
| 3. Shailesh Pednekar                    | Whole-time director (resigned with effect from 28.05.2015) |
| 4. Milind Gandhi                        | Chief Financial Officer                                    |
| 5. Manasi Modak                         | Company Secretary & Compliance Officer                     |

**List of Related Parties - Enterprises over which Key Managerial Personnel, Directors & their relatives exercise significant influence**

|                                                   |
|---------------------------------------------------|
| 1. Cox & Kings Global Services Private Limited    |
| 2. Tourism Finance Corporation of India Limited   |
| 3. Axis Mutual Fund Trustee Limited               |
| 4. Cyient Limited                                 |
| 5. Premium Transmission Private Limited           |
| 6. Altum Credo Home Finance Private Limited       |
| 7. Arohan Financial Service Limited               |
| 8. Intellicap Advisory Services Private Limited   |
| 9. JC Lex Advisory LLP                            |
| 10. Enam Asset Management Company Private Limited |
| 11. Cox and Kings Limited                         |

**Transactions with Key Managerial Personnel & other related parties**

The following transactions occurred with Key Managerial Personnel & other related parties:

(Amount in INR '000)

| Particulars                                                                         | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Cox and Kings Limited - Rent Expenses*                                              | 996.73                  | -                       |
| Cox and Kings Limited - Outstanding Balance Payable*                                | 996.73                  | -                       |
| Salaries and other employee benefits to whole-time directors and executive officers |                         |                         |
| Sale & Purchase of services to KMP, directors & other related parties               | Refer note below        | Refer note below        |
| Trade Receivable - Cox & Kings Global Services Private Limited                      |                         |                         |

\*Infrastructure and Support Cost pertains to Rent expenses payable to Cox and Kings Limited for the period 7 may 2021 to 31 December 2021

i.e. during the CIRP Period

Note: In the absence of relevant & sufficient information, records and documents it is unable to identify related parties, hence only related

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**29 Financial instruments – Fair values**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. The financial assets and liabilities are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs that are not based on observable market data.

**Following methods and assumptions are used to estimate the fair values:**

Fair value of cash and short term deposits, trade and other short term receivables, current investment, security deposits, trade payables, other current liabilities, provisions and short term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short term maturities of these financial assets and liabilities

Non-listed shares and other securities, if any fall within level 3 of the fair value hierarchy. These investments are not material and their carrying value is considered as fair value.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in financial statements.

|                                          |        |        |                |              | (Amount in INR '000)           |                               |                                 |
|------------------------------------------|--------|--------|----------------|--------------|--------------------------------|-------------------------------|---------------------------------|
| 31 March 22                              |        |        |                |              | Fair Value                     |                               |                                 |
| Carrying Amount                          |        |        |                |              | Level 1 -                      | Level 2 -                     | Level 3 -                       |
|                                          | FVTPL  | FVTOCI | Amortised Cost | Total        | Quoted price in active markets | Significant observable inputs | Significant unobservable inputs |
| <b>Financial Assets</b>                  |        |        |                |              |                                |                               |                                 |
| <b>Investments</b>                       |        |        |                |              |                                |                               |                                 |
| - Non current Investments - Mutual Funds | -      |        |                | -            |                                |                               |                                 |
| Loans and advances                       |        |        | 947.56         | 947.56       |                                |                               |                                 |
| Trade and other receivables              |        |        | -              | -            |                                |                               |                                 |
| Cash and cash equivalents                |        |        | 4,148.79       | 4,148.79     |                                |                               |                                 |
|                                          | -      | -      | 5,096.35       | 5,096.35     | -                              | -                             | -                               |
| <b>Financial Liabilities</b>             |        |        |                |              |                                |                               |                                 |
| Short term borrowings                    |        |        | 54,28,491.30   | 54,28,491.30 |                                |                               |                                 |
| Trade and other payables                 |        |        | 1,96,843.18    | 1,96,843.18  |                                |                               |                                 |
| Other financial liabilities              |        |        | 25,974.53      | 25,974.53    |                                |                               |                                 |
|                                          | -      | -      | 56,51,309.01   | 56,51,309.01 | -                              | -                             | -                               |
| <b>31 March 21</b>                       |        |        |                |              |                                |                               |                                 |
| Carrying Amount                          |        |        |                |              | Fair Value                     |                               |                                 |
|                                          | FVTPL  | FVTOCI | Amortised Cost | Total        | Level 1 -                      | Level 2 -                     | Level 3 -                       |
|                                          |        |        |                |              | Quoted price in active markets | Significant observable inputs | Significant unobservable inputs |
| <b>Financial Assets</b>                  |        |        |                |              |                                |                               |                                 |
| <b>Investments</b>                       |        |        |                |              |                                |                               |                                 |
| - Non current Investments - Mutual Funds | 538.23 |        |                | 538.23       |                                |                               |                                 |
| Loans and advances                       |        |        | -              | -            |                                |                               |                                 |
| Trade and other receivables              |        |        | 4.75           | 4.75         |                                |                               |                                 |
| Cash and cash equivalents                |        |        | 634.21         | 634.21       |                                |                               |                                 |
|                                          | 538.23 | -      | 638.96         | 1,177.19     | -                              | -                             | -                               |
| <b>Financial Liabilities</b>             |        |        |                |              |                                |                               |                                 |
| Short term borrowings                    |        |        | 49,09,582.81   | 49,09,582.81 |                                |                               |                                 |
| Trade and other payables                 |        |        | 1,90,408.14    | 1,90,408.14  |                                |                               |                                 |
| Other financial liabilities              |        |        | 19,379.81      | 19,379.81    |                                |                               |                                 |
|                                          | -      | -      | 51,19,370.76   | 51,19,370.76 | -                              | -                             | -                               |

**B. Measurement of fair values**

i) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

ii) Level 3 fair values

Non-listed shares and other securities fall within level 3 of the fair value hierarchy.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**30 Financial instruments – Risk management**

**A. Financial Risks**

The Company's financial liabilities comprises of borrowings, trade payable and other liabilities to manage its operations and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operations. Corporate Insolvency Resolution Process ("CIR Process") has been initiated in case of the Company under the Provisions of the Insolvency and Bankruptcy Code, 2016 (the Code). However, in view no viable resolution plan has been received, the COC has resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company has been filed with the NCLT on 8th June, 2022. The Hon'ble NCLT Mumbai has ordered the commencement of liquidation of the Cox & Kings Financial Service Limited on 11 October 2022. Pursuant to the order, the management of affairs of the Company and powers of board of directors of the Company stand vested with the Liquidator appointed by the NCLT. From the information gathered by the Liquidator about the company it is found that the company operated till Oct' 2019 and majority of the employees had resigned from the company. It is pertinent to note that there were no business operations during the FY 2021-22.

**B. Capital Management**

As per the Financials of the FY 2018-19, the company monitored return on capital for the shareholders of the Company using a ratio of Net Gearing.

The Liquidator was appointed vide NCLT order dated 11 October 2022 and took charge of the Company thereafter. Due to non co-operation from the erstwhile directors, KMPs, promoters of the company, the Liquidator could not gather complete information about the capital management practices followed by the company during FY 2019-20, FY 2020-21 and FY 2021-22, hence, unable to disclose the same.

**C. Risk management framework**

The Company's business operations expose it to variety of financial risks, including market risk, credit risk and liquidity risk. Due to non co-operation from the erstwhile directors, KMPs, promoters of the company, the RP could not gather the risk management framework being followed by the company till its operations during the FY 2019-20, hence, unable to disclose the same.

**31 Credit Risk**

As per the Financials for FY 2018-19, the company managed its credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Liquidator was appointed vide NCLT order dated 11 October 2022 and took charge of the Company thereafter. Due to non co-operation from the erstwhile directors, KMPs, promoters of the company, the Liquidator could not gather the credit risk management framework being followed by the company till its operations during the FY 2019-20, hence, unable to disclose the same.

**Cash and cash equivalents**

Balances with banks is as per information, records and bank statements available with the Liquidator. There is some difference in bank balance as per books and bank statements provided by the bank. The Liquidator has written to the concerned bank for the difference and clarification is awaited. In the absence of completeness of availability of all the bank details and statements, the balances could not be reconciled with bank statements.

**32 Liquidity risk**

As per the Financials for FY 2018-19, the Company used to manage its liquidity risk by ensuring that it will have sufficient liquidity through cash and cash equivalents,

**Exposure to liquidity risk**

"The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

\*all non derivative financial liabilities

\*net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows."

(Amount in INR '000)

| As at 31 March 2022                         | Contractual cash flows |              |                |           |           |                   |
|---------------------------------------------|------------------------|--------------|----------------|-----------|-----------|-------------------|
|                                             | Carrying Amount        | Total        | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
| <b>Non-derivative financial liabilities</b> |                        |              |                |           |           |                   |
| <b>Short Term Liabilities</b>               |                        |              |                |           |           |                   |
| From Banks                                  | 54,28,491.30           | 54,28,491.30 | 54,28,491.30   |           |           |                   |
| Trade and other payables                    | 1,96,843.44            | 1,96,843.44  | 1,96,843.44    |           |           |                   |
| <b>As at 31 March 2021</b>                  |                        |              |                |           |           |                   |
| As at 31 March 2021                         | Contractual cash flows |              |                |           |           |                   |
|                                             | Carrying Amount        | Total        | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
| <b>Non-derivative financial liabilities</b> |                        |              |                |           |           |                   |
| <b>Short Term Liabilities</b>               |                        |              |                |           |           |                   |
| From Banks                                  | 49,09,582.81           | 49,09,582.81 | 49,09,582.81   |           |           |                   |
| Trade and other payables                    | 1,90,408.14            | 1,90,408.14  | 1,90,408.14    |           |           |                   |

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**33 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions.

| Following table gives company's short-term and long term loans and borrowings, including interest rate profiles: |              | (Amount in INR '000) |                     |
|------------------------------------------------------------------------------------------------------------------|--------------|----------------------|---------------------|
| Particulars                                                                                                      |              | 31 March 22          | 31 March 21         |
| <b>Fixed Rate</b>                                                                                                |              |                      |                     |
| <b>Financial Assets</b>                                                                                          |              |                      |                     |
| Margin money deposits & Deposit Accounts                                                                         |              | -                    | -                   |
|                                                                                                                  | <b>Total</b> | -                    | -                   |
| <b>Variable Rate*</b>                                                                                            |              |                      |                     |
| <b>Financial Liabilities</b>                                                                                     |              |                      |                     |
| Short term Borrowings- Secured- From Banks                                                                       |              | 54,28,491.30         | 49,09,582.81        |
| Short term Borrowings- Unsecured- From Others                                                                    |              |                      |                     |
|                                                                                                                  | <b>Total</b> | <b>54,28,491.30</b>  | <b>49,09,582.81</b> |

\* Interest rate on financial assets and liabilities is variable during the year.

**Interest rate sensitivity - fixed rate instruments**

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

**Interest rate sensitivity - variable rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

| Particulars                        | (Amount in INR '000) |                    |                     |                    |
|------------------------------------|----------------------|--------------------|---------------------|--------------------|
|                                    | Profit or loss       |                    |                     |                    |
|                                    | As at 31 March 2022  |                    | As at 31 March 2021 |                    |
|                                    | 100 bp increase      | 100 bp decrease    | 100 bp increase     | 100 bp decrease    |
| <b>Variable-rate instruments</b>   |                      |                    |                     |                    |
| Financial Assets                   | -                    | -                  | -                   | -                  |
| Financial Liabilities              | 54,284.91            | (54,284.91)        | 49,095.83           | (49,095.83)        |
| <b>Cash Flow sensitivity (net)</b> | <b>54,284.91</b>     | <b>(54,284.91)</b> | <b>49,095.83</b>    | <b>(49,095.83)</b> |

(Note: The impact is indicated on the profit/loss before tax basis)

COX & KINGS FINANCIAL SERVICE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

34 Currency Risk

As per the Financials for FY 2018-19, the Company had in place a risk management framework, wherein they used foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure.

The Liquidator was appointed vide NCLT order dated 11 October 2022 and took charge of the Company thereafter. Due to non co-operation from the erstwhile directors, KMPs, promoters of the company, the complete information about the practices followed by the company during FY 2019-20 and FY 2020-21 and upto 7th May, 2021 (i.e., CIRP commencement date) was not provided to the Liquidator, hence, unable to comment upon the currency risk of the company as on 31 March, 2022.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

|                                                     | 31 March 22 |     |     |     |     |     |        |
|-----------------------------------------------------|-------------|-----|-----|-----|-----|-----|--------|
|                                                     | USD         | EUR | AUD | SGD | CHF | GBP | Others |
| <b>Financial Assets</b>                             |             |     |     |     |     |     |        |
| Foreign Currencies in Hand                          | **          | **  | **  | **  | **  | **  | **     |
| Unsettled Travellers' Cheques & cards               | **          | **  | **  | **  | **  | **  | **     |
| <b>Financial Liabilities</b>                        |             |     |     |     |     |     |        |
| Trade payables                                      | **          | **  | **  | **  | **  | **  | **     |
| <b>Net statement of financial position exposure</b> | -           | -   | -   | -   | -   | -   | -      |

Note: In the absence of relevant information, records and documents with the management the above information is not available for the year ended 31 March 2022

|                                                     | 31 March 21 |     |     |     |     |     |        |
|-----------------------------------------------------|-------------|-----|-----|-----|-----|-----|--------|
|                                                     | USD         | EUR | AUD | SGD | CHF | GBP | Others |
| <b>Financial Assets</b>                             |             |     |     |     |     |     |        |
| Foreign Currencies in Hand                          | **          | **  | **  | **  | **  | **  | **     |
| Unsettled Travellers' Cheques & cards               | **          | **  | **  | **  | **  | **  | **     |
| <b>Financial Liabilities</b>                        |             |     |     |     |     |     |        |
| Trade payables                                      | **          | **  | **  | **  | **  | **  | **     |
| <b>Net statement of financial position exposure</b> | -           | -   | -   | -   | -   | -   | -      |

Sensitivity analysis

A 3% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

| Effect in ₹ Lakhs    | Profit or loss |           |
|----------------------|----------------|-----------|
|                      | Strengthening  | Weakening |
| <b>31 March 2022</b> |                |           |
| USD                  | **             | **        |
| EUR                  | **             | **        |
| AUD                  | **             | **        |
| SGD                  | **             | **        |
| CHF                  | **             | **        |
| GBP                  | **             | **        |
| Others               | **             | **        |

| Effect in ₹ Lakhs    | Profit or loss |           |
|----------------------|----------------|-----------|
|                      | Strengthening  | Weakening |
| <b>31 March 2021</b> |                |           |
| USD                  | **             | **        |
| EUR                  | **             | **        |
| AUD                  | **             | **        |
| SGD                  | **             | **        |
| CHF                  | **             | **        |
| GBP                  | **             | **        |
| Others               | **             | **        |

(Note: The impact is indicated on the profit/loss and equity before tax basis)

\*\*In the absence of relevant information pertaining to Foreign currency assets and liabilities as on 31 March 2022, management is unable to ascertain the exposure of foreign currency and its sensitivity analysis

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**35 Tax Reconciliation**

| <b>(a) Amounts recognised in profit and loss</b>                 |  | <b>(Amount in INR '000)</b> |                     |
|------------------------------------------------------------------|--|-----------------------------|---------------------|
| <b>Particulars</b>                                               |  | <b>For The Year</b>         | <b>For The Year</b> |
|                                                                  |  | <b>Ended March</b>          | <b>Ended March</b>  |
|                                                                  |  | <b>31, 2022</b>             | <b>31, 2021</b>     |
| Current Tax                                                      |  | -                           | -                   |
| Deferred Tax - Origination and reversal of temporary differences |  | -                           | -                   |
| <b>Tax expense for the year</b>                                  |  | <b>-</b>                    | <b>-</b>            |

| (b) Amounts recognised in other comprehensive income     |                                   |                       |            | (Amount in INR '000)              |                       |            |
|----------------------------------------------------------|-----------------------------------|-----------------------|------------|-----------------------------------|-----------------------|------------|
| Particulars                                              | For the year ended March 31, 2022 |                       |            | For the year ended March 31, 2021 |                       |            |
|                                                          | Before tax                        | Tax (expense) benefit | Net of tax | Before tax                        | Tax (expense) benefit | Net of tax |
| Items that will not be reclassified to profit or loss    |                                   |                       |            |                                   |                       |            |
| a) Remeasurement of post employment benefit obligations* |                                   |                       |            |                                   |                       |            |
|                                                          | -                                 | -                     | -          | -                                 | -                     | -          |
|                                                          | -                                 | -                     | -          | -                                 | -                     | -          |

\*Since provision for current tax expense is not calculated in absence of relevant information, tax expense on amounts recognised in other comprehensive income is also not calculated

| <b>(c) Reconciliation of effective tax rate</b>                                          |  | <b>(Amount in INR '000)</b> |                           |
|------------------------------------------------------------------------------------------|--|-----------------------------|---------------------------|
| <b>Particulars</b>                                                                       |  | <b>For the year ended</b>   | <b>For the year ended</b> |
|                                                                                          |  | <b>March 31, 2022</b>       | <b>March 31, 2021</b>     |
| <b>Profit before tax</b>                                                                 |  | <b>(5,28,105.14)</b>        | <b>(5,44,468.27)</b>      |
| Tax using the Company's domestic tax rate (Current year 27.82% and Previous Year 27.82%) |  | (1,46,918.85)               | (1,51,471.07)             |
| Tax effect of:                                                                           |  |                             |                           |
| Expenses not deductible for tax purposes                                                 |  |                             |                           |
| Expenses deductible for tax purposes                                                     |  |                             |                           |
| Exempt income                                                                            |  |                             |                           |
| <b>Tax expense for the year</b>                                                          |  | <b>(1,46,918.85)</b>        | <b>(1,51,471.07)</b>      |
| <b>Effective Tax Rate**</b>                                                              |  | <b>27.82%</b>               | <b>27.82%</b>             |

\*\*In the absence of complete information, accurate effective tax rate is unascertainable

COX & KINGS FINANCIAL SERVICE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

| (Amount in INR '000)                                                                       |                       |                 |                       |                       |                 |                       |
|--------------------------------------------------------------------------------------------|-----------------------|-----------------|-----------------------|-----------------------|-----------------|-----------------------|
| ASSETS                                                                                     | As at March 31, 2022  |                 |                       | As at March 31, 2021  |                 |                       |
|                                                                                            | Within 12 months      | After 12 months | Total                 | Within 12 months      | After 12 months | Total                 |
| <b>Financial Assets</b>                                                                    |                       |                 |                       |                       |                 |                       |
| Cash and cash equivalents                                                                  | -                     | -               | -                     | -                     | -               | -                     |
| Bank Balance other than (a) above                                                          | 4,148.79              | -               | 4,148.79              | 634.21                | -               | 634.21                |
| Trade Receivables                                                                          | -                     | -               | -                     | 4.75                  | -               | 4.75                  |
| Investments                                                                                | -                     | -               | -                     | 538.23                | -               | 538.23                |
| Assets held for Sale                                                                       | 681.55                | -               | 681.55                | -                     | -               | -                     |
| Other financial asset                                                                      | 947.56                | -               | 947.56                | -                     | -               | -                     |
| <b>Non-Financial Assets</b>                                                                |                       |                 |                       |                       |                 |                       |
| Deferred tax Assets (Net)                                                                  | -                     | -               | -                     | -                     | -               | -                     |
| Property, Plant and Equipment                                                              | -                     | -               | -                     | -                     | 767.60          | 767.60                |
| Capital Work in Progress                                                                   | -                     | -               | -                     | -                     | -               | -                     |
| Other Intangible assets                                                                    | -                     | -               | -                     | -                     | -               | -                     |
| Other non-financial assets                                                                 | -                     | -               | -                     | -                     | -               | -                     |
| <b>Total Assets</b>                                                                        | <b>5,777.90</b>       | <b>-</b>        | <b>5,777.90</b>       | <b>1,177.19</b>       | <b>767.60</b>   | <b>1,944.78</b>       |
| LIABILITIES                                                                                | As at March 31, 2022  |                 |                       | As at March 31, 2021  |                 |                       |
|                                                                                            | Within 12 months      | After 12 months | Total                 | Within 12 months      | After 12 months | Total                 |
| <b>Financial Liabilities</b>                                                               |                       |                 |                       |                       |                 |                       |
| Trade Payables                                                                             | -                     | -               | -                     | -                     | -               | -                     |
| (i) total outstanding dues of creditors other than micro enterprises and small enterprises | 1,96,843.18           | -               | 1,96,843.18           | 1,90,408.14           | -               | 1,90,408.14           |
| Borrowings (Other than debt securities)                                                    | 54,28,491.30          | -               | 54,28,491.30          | 49,09,582.81          | -               | 49,09,582.81          |
| Other financial liabilities                                                                | 25,974.53             | -               | 25,974.53             | 19,379.81             | -               | 19,379.81             |
| <b>Non-Financial Liabilities</b>                                                           |                       |                 |                       |                       |                 |                       |
| Contract liability                                                                         | -                     | -               | -                     | -                     | -               | -                     |
| Current tax liability                                                                      | 1,02,731.98           | -               | 1,02,731.98           | 1,02,731.98           | -               | 1,02,731.98           |
| Deferred tax Liabilities (Net)                                                             | 2,361.00              | -               | 2,361.00              | 2,361.00              | -               | 2,361.00              |
| Provisions                                                                                 | 29,470.82             | -               | 29,470.82             | 29,470.82             | -               | 29,470.82             |
| <b>Total Liabilities</b>                                                                   | <b>57,85,872.82</b>   | <b>-</b>        | <b>57,85,872.82</b>   | <b>52,53,934.56</b>   | <b>-</b>        | <b>52,53,934.56</b>   |
| <b>Net</b>                                                                                 | <b>(57,80,094.92)</b> | <b>-</b>        | <b>(57,80,094.92)</b> | <b>(52,52,757.37)</b> | <b>767.60</b>   | <b>(52,51,989.78)</b> |

37 Change in liabilities arising from financing activities

| (Amount in INR '000)                               |                     |            |                        |                     |                    |                      |
|----------------------------------------------------|---------------------|------------|------------------------|---------------------|--------------------|----------------------|
| Particulars                                        | As at April 1, 2021 | Cash flows | Changes in fair values | Exchange Difference | Other*             | As at March 31, 2022 |
| Borrowings other than debt securities              | 49,09,582.81        | -          | -                      | -                   | 5,18,908.49        | 54,28,491.30         |
| <b>Total liabilities from financing activities</b> | <b>49,09,582.81</b> | <b>-</b>   | <b>-</b>               | <b>-</b>            | <b>5,18,908.49</b> | <b>54,28,491.30</b>  |

\*includes interest accrued during the year

COX & KINGS FINANCIAL SERVICE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

38 Schedule to the Balance Sheet of a systemically important non-deposit taking non-banking financial company (as required in terms of Annexure II of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

| (Amount in INR '000)                                                                                                   |                    |                |                    |                |
|------------------------------------------------------------------------------------------------------------------------|--------------------|----------------|--------------------|----------------|
| Particulars                                                                                                            | March 31, 2022     |                | March 31, 2021     |                |
| <b>Liabilities side :</b>                                                                                              |                    |                |                    |                |
| 1) Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid: | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue |
| (a) Debentures : Secured                                                                                               | -                  | -              | -                  | -              |
| Unsecured                                                                                                              | -                  | -              | -                  | -              |
| (other than falling within the meaning of public deposits)                                                             | -                  | -              | -                  | -              |
| (b) Deferred Credits                                                                                                   | -                  | -              | -                  | -              |
| (c) Term Loans                                                                                                         | -                  | -              | -                  | -              |
| (d) Inter-corporate loans and borrowing                                                                                | -                  | -              | -                  | -              |
| (e) Commercial Paper                                                                                                   | -                  | -              | -                  | -              |
| (f) Public Deposits *                                                                                                  | -                  | -              | -                  | -              |
| (g) Other Loans (Working Capital Loans from Banks)                                                                     | 54,28,491.30       | 54,28,491.30   | 49,09,582.81       | 49,09,582.81   |
| * Please see Note 1 below                                                                                              |                    |                |                    |                |
| 2) Break up of (1) (f) above (Outstanding Public Deposits inclusive of interest accrued thereon but not paid)          |                    |                |                    |                |
| a) In the form of unsecured debentures                                                                                 | -                  | -              | -                  | -              |
| b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security        | -                  | -              | -                  | -              |
| c) Other public deposits                                                                                               | -                  | -              | -                  | -              |
| <b>Assets side :</b>                                                                                                   |                    |                |                    |                |
| 3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :               | Amount Outstanding |                | Amount Outstanding |                |
| (a) Secured                                                                                                            | -                  |                | -                  |                |
| (a) Unsecured                                                                                                          | -                  |                | -                  |                |
| 4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities                        |                    |                |                    |                |
| (i) Lease assets including lease rentals under sundry debtors :                                                        |                    |                |                    |                |
| (a) Financial lease                                                                                                    | -                  |                | -                  |                |
| (b) Operating lease                                                                                                    | -                  |                | -                  |                |
| (ii) Stock on hire including hire charges under sundry debtors:                                                        |                    |                |                    |                |
| (a) Assets on hire                                                                                                     | -                  |                | -                  |                |
| (b) Repossessed Assets                                                                                                 | -                  |                | -                  |                |
| (iii) Other loans counting towards AFC activities                                                                      |                    |                |                    |                |
| (a) Loans where assets have been repossessed                                                                           | -                  |                | -                  |                |
| (b) Loans other than (a) above                                                                                         | -                  |                | -                  |                |
| 5) Break-up of Investments :                                                                                           |                    |                |                    |                |
| Current Investments :                                                                                                  |                    |                |                    |                |
| 1. Quoted :                                                                                                            |                    |                |                    |                |
| (i) Shares: (a) Equity                                                                                                 | -                  |                | -                  |                |
| (b) Preference                                                                                                         | -                  |                | -                  |                |
| (ii) Debentures and Bonds                                                                                              | -                  |                | -                  |                |
| (iii) Units of mutual funds                                                                                            | -                  |                | -                  | 538.23         |
| (iv) Government Securities                                                                                             | -                  |                | -                  |                |
| (v) Others (please specify)                                                                                            | -                  |                | -                  |                |
| 2. Unquoted :                                                                                                          |                    |                |                    |                |
| (i) Shares: (a) Equity                                                                                                 | -                  |                | -                  |                |
| (b) Preference                                                                                                         | -                  |                | -                  |                |
| (ii) Debentures and Bonds                                                                                              | -                  |                | -                  |                |
| (iii) Units of mutual funds                                                                                            | -                  |                | -                  |                |
| (iv) Government Securities                                                                                             | -                  |                | -                  |                |
| (v) Others (Certificate of Deposits and Commercial Paper)                                                              | -                  |                | -                  |                |
| Long Term Investments :                                                                                                |                    |                |                    |                |
| 1. Quoted :                                                                                                            |                    |                |                    |                |
| (i) Shares: (a) Equity                                                                                                 | -                  |                | -                  |                |
| (b) Preference                                                                                                         | -                  |                | -                  |                |
| (ii) Debentures and Bonds                                                                                              | -                  |                | -                  |                |
| (iii) Units of mutual funds                                                                                            | -                  |                | -                  |                |
| (iv) Government Securities                                                                                             | -                  |                | -                  |                |
| (v) Others (please specify)                                                                                            | -                  |                | -                  |                |
| 2. Unquoted :                                                                                                          |                    |                |                    |                |
| (i) Shares: (a) Equity                                                                                                 | -                  |                | -                  |                |
| (b) Preference                                                                                                         | -                  |                | -                  |                |
| (ii) Debentures and Bonds                                                                                              | -                  |                | -                  |                |
| (iii) Units of mutual funds                                                                                            | -                  |                | -                  |                |
| (iv) Government Securities                                                                                             | -                  |                | -                  |                |
| (v) Others (please specify)                                                                                            | -                  |                | -                  |                |

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

Schedule to the Balance Sheet of a systemically important non-deposit taking non-banking financial company (as required in terms of paragraph 18 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

| Particulars                                                                                                            | March 31, 2022                  |                  |              | March 31, 2021                  |                  |              |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------|--------------|---------------------------------|------------------|--------------|
| 6) Borrower group-wise classification of assets financed as in (2) and (3) above :<br>Please see Note 2 below Category | <b>Amount net of provisions</b> |                  |              | <b>Amount net of provisions</b> |                  |              |
|                                                                                                                        | <b>Secured</b>                  | <b>Unsecured</b> | <b>Total</b> | <b>Secured</b>                  | <b>Unsecured</b> | <b>Total</b> |
| 1. Related Parties                                                                                                     |                                 |                  |              |                                 |                  |              |
| (a) Subsidiaries                                                                                                       | -                               | -                | -            | -                               | -                | -            |
| (b) Companies in the same group                                                                                        | -                               | -                | -            | -                               | -                | -            |
| (c) Other related parties                                                                                              | -                               | -                | -            | -                               | -                | -            |
| 2. Other than related parties                                                                                          | -                               | -                | -            | -                               | -                | -            |
| <b>Total</b>                                                                                                           |                                 |                  |              |                                 |                  |              |

7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):  
Please see note 3 below

| Category                        | March 31, 2022                                              |                                               | March 31, 2021                                              |                                               |
|---------------------------------|-------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------|-----------------------------------------------|
|                                 | <b>Market Value /<br/>Break up or fair<br/>value or NAV</b> | <b>Book Value<br/>(Net of<br/>Provisions)</b> | <b>Market Value /<br/>Break up or fair<br/>value or NAV</b> | <b>Book Value<br/>(Net of<br/>Provisions)</b> |
| 1. Related Parties **           |                                                             |                                               |                                                             |                                               |
| (a) Subsidiaries                | -                                                           | -                                             | -                                                           | -                                             |
| (b) Companies in the same group | -                                                           | -                                             | -                                                           | -                                             |
| (c) Other related parties       | -                                                           | -                                             | -                                                           | -                                             |
| 2. Other than related parties   | -                                                           | -                                             | 538.23                                                      | 538.23                                        |
| <b>Total</b>                    | -                                                           | -                                             | <b>538.23</b>                                               | <b>538.23</b>                                 |

\*\* As per Accounting Standard of ICAI (Please see Note 3)

8) Other Information

| Particulars                                   | March 31, 2022 |                  |              | March 31, 2021 |                  |              |
|-----------------------------------------------|----------------|------------------|--------------|----------------|------------------|--------------|
|                                               | <b>Secured</b> | <b>Unsecured</b> | <b>Total</b> | <b>Secured</b> | <b>Unsecured</b> | <b>Total</b> |
| (i) Gross Non-Performing Assets               |                |                  |              |                |                  |              |
| (a) Related parties                           | -              | -                | -            | -              | -                | -            |
| (b) Other than related parties                | -              | -                | -            | -              | -                | -            |
| (ii) Net Non-Performing Assets                |                |                  |              |                |                  |              |
| (a) Related parties                           | -              | -                | -            | -              | -                | -            |
| (b) Other than related parties                | -              | -                | -            | -              | -                | -            |
| (iii) Assets acquired in satisfaction of debt | -              | -                | -            | -              | -                | -            |

**Notes:**

- As defined in point xix of paragraph 3 of Chapter -2 of Non-Banking Financial Company - Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (4) above.
- The Company was granted Certificate of registration (Registration Number N-13.02242) by Reserve Bank of India effective from May 18, 2018. As per the information about the company at BSE, it is found that the company had applied for surrendering NBFC license. Further after RP took charge over the company, he had written to the RBI for surrendering NBFC license, Response had been received from RBI advising the RP/Liquidator to surrender Original Certificate of Registration (CoR). Available copy of CoR had been submitted to RBI. However, the final confirmation from RBI is awaited. As per the list as on 31 December 2022 issued by RBI, the name of company is still reflected as the NBFC.

COX & KINGS FINANCIAL SERVICE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

39 Disclosure as required in terms of Annexure XIV of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(A) Capital

| Particulars                                                | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------------------------------------|----------------------|----------------------|
| (i) CRAR (%)                                               | **                   | **                   |
| (ii) CRAR - Tier I Capital (%)                             | **                   | **                   |
| (iii) CRAR - Tier II Capital (%)                           | **                   | **                   |
| (iv) Amount of subordinated debt raised as Tier-II capital | **                   | **                   |
| (v) Amount raised by issue of Perpetual Debt Instruments   | **                   | **                   |

\*\*In the absence of complete information, the above information is unascertainable.

(B) Investments

|                                                                          |   |        |
|--------------------------------------------------------------------------|---|--------|
| Value of Investments                                                     |   |        |
| (i) Gross Value of Investments                                           |   |        |
| (a) In India                                                             | - | 538    |
| (b) Outside India                                                        | - | -      |
| (ii) Provisions for Depreciation                                         |   |        |
| (a) In India                                                             | - | -      |
| (b) Outside India                                                        | - | -      |
| (iii) Net Value of Investments                                           |   |        |
| (a) In India                                                             | - | 538.23 |
| (b) Outside India                                                        | - | -      |
| Movement of provisions held towards depreciation on investments          |   |        |
| (i) Opening balance                                                      | - | -      |
| (ii) Add : Provisions made during the year                               | - | -      |
| (iii) Less : Write-off / write-back of excess provisions during the year | - | -      |
| (v) Closing balance                                                      | - | -      |

(C) Derivatives

|                                                                               | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------------------------------------------------|----------------------|----------------------|
| I Forward Rate Agreement / Interest Rate Swap                                 |                      |                      |
| (i) The notional principal of swap agreements                                 | -                    | -                    |
| (ii) Losses which would be incurred if counterparties failed to fulfill their | -                    | -                    |
| (iii) Collateral required by the NBFC upon entering into swaps                | -                    | -                    |
| (iv) Concentration of credit risk arising from the swaps                      | -                    | -                    |
| (v) The fair value of the swap book                                           | -                    | -                    |

II Exchange Traded Interest Rate (IR) Derivatives

The Company has not traded in exchange traded interest rate derivative during the current & the previous year.

III Disclosures on Risk Exposure in Derivatives

The Company has no transaction/exposure in derivatives during the current & the previous year.

(D) Disclosures relating to Securitisation

The company has not entered into Securitisation transaction during the current & the previous year.

(I) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the current & the previous year, the company has not sold any financial assets to securitisation/ reconstruction company for asset reconstruction.

(II) Details of Assignment transactions undertaken by NBFCs

During the current & the previous year, the company did not undertake any assignment transaction.

(III) Details of non-performing financial assets purchased / sold \*

(a) Details of non-performing financial assets purchased :

During the current & the previous year, the company has not purchased any non-performing financial assets.

(b) Details of non-performing financial assets sold :

During the current & the previous year, the company has not sold any non-performing financial assets.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**(E) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on March 31, 2022\*\***

| Particulars                           | 1 day to<br>30/31 days<br>(one month) | Over one<br>month and<br>upto 2 months | Over 2<br>months and<br>upto 3<br>months | Over 3<br>months<br>and upto 6<br>months | Over 6<br>months<br>and upto<br>1 year | Over 1<br>year and<br>upto 3<br>years | Over 3<br>years and<br>upto<br>5 years | Over<br>5<br>years | Total |
|---------------------------------------|---------------------------------------|----------------------------------------|------------------------------------------|------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------|--------------------|-------|
| Advances                              |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Trade receivables                     |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Investments                           |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Foreign Currency<br>Assets            |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Borrowings                            |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Payable for non<br>consumer Financing |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Payable for consumer<br>Financing     |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Other payables                        |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Foreign Currency<br>Liabilities       |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |

**Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on March 31, 2021\*\***

| Particulars                           | 1 day to<br>30/31 days<br>(one month) | Over one<br>month and<br>upto 2 months | Over 2<br>months and<br>upto 3<br>months | Over 3<br>months<br>and upto 6<br>months | Over 6<br>months<br>and upto<br>1 year | Over 1<br>year and<br>upto 3<br>years | Over 3<br>years and<br>upto<br>5 years | Over<br>5<br>years | Total |
|---------------------------------------|---------------------------------------|----------------------------------------|------------------------------------------|------------------------------------------|----------------------------------------|---------------------------------------|----------------------------------------|--------------------|-------|
| Advances                              |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Trade receivables                     |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Investments                           |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Foreign Currency<br>Assets            |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Borrowings                            |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Payable for non<br>consumer Financing |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Payable for consumer<br>Financing     |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Other payables                        |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |
| Foreign Currency<br>Liabilities       |                                       |                                        |                                          |                                          |                                        |                                       |                                        |                    | -     |

**\*\*In the absence of relevant information, records and documents, RP is unable to ascertain the Asset Liability Management Maturity Pattern of Assets and Liabilities**

Maturity pattern of assets and liability has been compiled by management on contractual payment basis and relied upon by the auditors

**(F) Exposures**

**(a) Exposure to Real Estate Sector**

During the current & the previous year, the company has no exposure to real estate sector.

**(b) Exposures to Capital Market**

During the current & the previous year, the company has no exposure to capital market.

**(G) Details of financing of parent company products**

The Company does not finance parent company products

**(H) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**

The Company has not exceeded Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the year

**(I) Unsecured Advances**

The company has not inanced any projects where in intangible collateral such as rights, licenses, authority etc., have been taken as security

**(J) Registration obtained from other financial sector regulators**

The company has not engaged into any business activity which are governed by other financial sector regulator.  
Hence, no registration was obtained.

**(K) Disclosure of Penalties imposed by RBI and other regulators**

There is no instance of penalty or stricture imposed on the Company by RBI or any other regulatory on matter during the current or previous year

**(L) Related Party Transactions**

Refer Note 27

**(M) Ratings assigned by credit rating agencies and migration of ratings during the year**

(i) Name of the Rating Agency - Brickwork Ratings India Private Limited

(ii) Rating Assigned - BWR D

Date of rating  
14-10-2019

Products  
Bank Loan Rating

Rating Assigned  
BWR D

The rating assigned is as on 14 October 2019 by Brickwork Ratings India Private Limited. The rating has been assigned by them based on the best information available, as the issuer did not co-operate.

**(N) Remuneration of Directors**

Refer Note 27

**(O) Net Profit or Loss for the period, prior period items and changes in accounting policies**

There are no prior period transactions included in the current year's statement of profit and loss and also there is no change in accounting policy during the current year.

**(P) Revenue Recognition (Refer Note 1(f)(c))**

There is no transaction in which the Revenue recognition has been postponed or pending the resolution of significant uncertainty.

**(Q) Accounting Standard 21 -Consolidated Financial Statements (CFS)**

The Company does not have any subsidiary.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

(R) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

| Particulars                                   | March 31, 2022 | March 31, 2021 |
|-----------------------------------------------|----------------|----------------|
| (a) Provisions for depreciation on Investment | -              | -              |
| (b) Provision towards NPA                     | -              | -              |
| (c) Provision made towards income tax         | -              | -              |
| (d) Other provisions and Contingencies:       |                |                |
| Provision for gratuity                        | -              | -              |
| Provision for leave encashment                | -              | -              |
| Contingent provision for standard assets      | -              | -              |

(S) Draw Down from Reserves

The Company has not drawn down any reserves during the current year / previous year

(T) Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Deposits (for deposit taking NBFCs)

| Particulars                                                                       | March 31, 2022 | March 31, 2021 |
|-----------------------------------------------------------------------------------|----------------|----------------|
| Total Deposits of twenty largest depositors                                       | -              | -              |
| Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC | -              | -              |

The Company is not a deposit taking NBFC and has not obtained any deposits from public

(b) Concentration of Advances

| Particulars                                                                      | March 31, 2022 | March 31, 2021 |
|----------------------------------------------------------------------------------|----------------|----------------|
| Total Advances to twenty largest borrowers                                       | -              | -              |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 0.00%          | 0.00%          |

(c) Concentration of Exposures

| Particulars                                                                                                            | March 31, 2022 | March 31, 2021 |
|------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Total Exposure to twenty largest borrowers / customers                                                                 | -              | -              |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 0.00%          | 0.00%          |

(d) Concentration of NPAs

| Particulars                             | March 31, 2022 | March 31, 2021 |
|-----------------------------------------|----------------|----------------|
| Total Exposure to top four NPA accounts | -              | -              |

(e) Sector wise NPAs

| Particulars                       | Percentage of NPAs to Total Advances in that sector | Percentage of NPAs to Total Advances in that sector |
|-----------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Sector                            | March 31, 2022                                      | March 31, 2021                                      |
| 1 Agriculture & allied activities | -                                                   | -                                                   |
| 2 MSME                            | -                                                   | -                                                   |
| 3 Corporate borrowers             | -                                                   | -                                                   |
| 4 Services                        | -                                                   | -                                                   |
| 5 Unsecured personal loans        | -                                                   | -                                                   |
| 6 Auto loans                      | -                                                   | -                                                   |
| 7 Other loans                     | -                                                   | -                                                   |

f) Disclosure for restructured advances

In the absence of complete information the RP is unable to ascertain the above information.

(g) Movement of NPAs

| Particulars                                                               | March 31, 2022 | March 31, 2021 |
|---------------------------------------------------------------------------|----------------|----------------|
| Net NPAs to Net Advances (%)                                              | -              | -              |
| Movement of NPAs (Gross)                                                  | -              | -              |
| (a) Opening balance                                                       | -              | -              |
| (b) Additions during the year                                             | -              | -              |
| (c) Reductions during the year                                            | -              | -              |
| (d) Closing balance                                                       | -              | -              |
| Movement of NPAs                                                          |                |                |
| (a) Opening balance                                                       | -              | -              |
| (b) Additions during the year                                             | -              | -              |
| (c) Reductions during the year                                            | -              | -              |
| (d) Closing balance                                                       | -              | -              |
| Movement of provisions for NPAs (excluding provisions on standard assets) |                |                |
| (a) Opening balance                                                       | -              | -              |
| (b) Additions during the year                                             | -              | -              |
| (c) Reductions during the year                                            | -              | -              |
| (d) Closing balance                                                       | -              | -              |

(U) Overseas Assets

The Company does not have any subsidiary / Joint venture abroad

(V) Off Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have SPVs sponsored (which are required to be consolidated as per accounting norms)

(W) Customer Complaints

| Particulars                                                | March 31, 2022 | March 31, 2021 |
|------------------------------------------------------------|----------------|----------------|
| (a) No. of complaints pending at the beginning of the year | -              | -              |
| (b) No. of complaints received during the year             | -              | -              |
| (c) No. of complaints redressed during the year            | -              | -              |
| (d) No. of complaints pending at the end of the year       | -              | -              |

(X) Information on instances of fraud

Disclosure of Frauds reported during the year vide DNBS.PD.CC NO.256/03.10.042/2011-12 Dated March 02, 2012

| Particulars                                             | April 1, 2021 to<br>March 31, 2022 | April 1, 2020 to<br>March 31, 2021 |
|---------------------------------------------------------|------------------------------------|------------------------------------|
| a. Persons involved                                     |                                    |                                    |
| Employee                                                | -                                  | -                                  |
| Total                                                   | -                                  | -                                  |
| b. Type of Fraud                                        |                                    |                                    |
| Misappropriation and criminal breach of trust           |                                    |                                    |
| Fraudulent encashment/ manipulation of books of account |                                    |                                    |
| Cheating and forgery                                    |                                    |                                    |

(Y) The Company was granted Certificate of registration (Registration Number N-13.02242) by Reserve Bank of India effective from May 18, 2018. As per the information about the company at BSE, it is found that the company had applied for surrendering NBFC license. Further after RP took charge over the company, he had written to the RBI for surrendering NBFC license, Response had been received from RBI advising the RP/Liquidator to surrender Original Certificate of Registration (CoR). Available copy of CoR had been submitted to RBI. However, the final confirmation from RBI is awaited. As per the list as on 31 December 2022 issued by RBI, the name of company is still reflected as the NBFC.

**COX & KINGS FINANCIAL SERVICE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022**

**40 Other Notes**

(a) Hon'ble National Company Law Tribunal (NCLT) vide its order dated August 2, 2018 sanctioned the scheme of arrangement ('Scheme') for demerger of foreign exchange division of Cox and Kings Ltd (CKL) into a wholly owned subsidiary Cox & Kings Financial Service Limited ('CKFSL') w.e.f April 1, 2017.

The scheme of arrangement was sanctioned subject to:

(i) All assets and liabilities as identified by the Board of Directors of the CKL related to foreign exchange division have been transferred to CKFSL as at the close of the business on the day immediately preceding the Appointed Date i.e. April 1, 2017.

(ii) Shareholders of CKL as on the record date to be allotted One equity share of CKFSL in exchange of Three equity shares of CKL. Accordingly, 5,88,54,454 number of shares were allotted on October 30, 2018.

(b) Balances of trade receivables and trade payables are as per books of accounts and subject to confirmation and reconciliation, if any.

(c) The Ministry of Corporate Affairs (MCA), vide its notification dated October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. These Financial Statements have been prepared in accordance with the same. The previous figures have also undergone a reclassification to comply with the requirements of the Division III.

**41 General Notes**

a) The above standalone financial statements have been prepared, reviewed and taken on record by the Liquidator.

b) The Honourable National Company Law Tribunal, Mumbai ('NCLT') on 7 May 2021 admitted the Corporate Insolvency Resolution Process ('CIRP') application filed against the Company and appointed Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/PA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ('the Code'). Further, the committee of creditors constituted during the CIRP in its first meeting held on 1 June 2021, has appointed Mr. Pardeep Kumar Sethi as the Resolution Professional (RP) to manage the affairs of the Company.

Subsequently, the Company has been admitted to liquidation by the Hon'ble National Company Law Tribunal (Mumbai Bench) vide its order dated 11 October 2022 and Mr. Pardeep Kumar Sethi has been appointed as the liquidator of Cox & Kings Financial Service Limited. In view of pendency of the Liquidation, the power and responsibilities of the Board of Directors shall vest with the Liquidator under the provision of the Code.

**c) Initiation of Liquidation Commencement :**

Yes Bank Limited, in its capacity as the financial creditor of Cox & Kings Financial Service Limited ('CKFSL' or 'Corporate Debtor'), filed an application under Section 7 of the Insolvency and Bankruptcy Code ('IBC'), 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble Adjudicating Authority, i.e. National Company Law Tribunal, at Mumbai ('Hon'ble NCLT Mumbai') for initiation of Corporate Insolvency Resolution Process ('CIRP') for the Corporate Debtor under the provisions of the Insolvency and Bankruptcy Code 2016. The said Application of Yes Bank Limited has since been admitted by the Hon'ble NCLT Mumbai vide its order dated 7 May 2021 ("Order") and the CIRP has commenced from the date of the order.

The Hon'ble NCLT Mumbai vide its order dated 7 May 2021 ('CIRP Commencement Order') inter alia appointed, Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/PA-001/IP-P00711/2017-2018/11265 as the Interim Resolution Professional (IRP) of the Corporate Debtor to conduct the CIRP and to exercise all powers and subject and carry out all duties as envisaged under the provisions of the IBC.

The Committee of Creditors constituted by the IRP, at its first meeting convened on 1 June 2021, resolved with requisite majority to retain the IRP Mr. Pardeep Kumar Sethi as the Resolution Professional of CKFSL. In accordance with Section 22(3)(a) of IBC, a letter confirming the appointment of Mr. Pardeep Kumar Sethi as the RP of CKFSL was filed with the Hon'ble NCLT Mumbai Bench by the CoC.

However, in view of the fact that no viable resolution plan being approved, the CoC has resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company has been filed with the NCLT on 8th June, 2022. The Hon'ble NCLT Mumbai had ordered the commencement of liquidation of Cox & Kings Financial Service Limited on 11 October 2022.

**d) Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements are not prepared on going concern assumption as the Hon'ble NCLT Mumbai has ordered the commencement of liquidation of the Cox & Kings Financial Service Limited on 11 October 2022

- e) The above financial statements for period ended 31 March 2022 ("the Statement") have been reviewed by the Liquidator Mr. Pardeep Kumar Sethi, having IBBI Registration No. IBBI/PA-001/IP-P00711/2017-2018/11265 based on data and information gathered by him from the corporate office situated at Vaman Centre, Andheri (East), Mumbai, from the public domain and other sources such as bank statements, and during the CIRP Period basis the expenses incurred and ratified by the COC for the smooth running of CIRP, etc., to the extent possible. It is pertinent to note that the RP while taking charge over the assets of the company and while taking into custody data, records, documents, etc, had approached the erstwhile directors, KMPs and promoters, Auditors etc. however, no co-operation was received from them. In this regard, the RP had filed an application under section 19(2) of IBC with the Hon'ble NCLT, Mumbai Bench. The said application was heard on 3rd January, 2023 and was declared as infructuous by the Bench as the Company had been admitted under Liquidation. Also there were no employee in the company to help the Liquidator with information, data, records & documents of the company. All the practicable and reasonable efforts have been made to gather records, data and documents for the preparation and finalisation of financial statements to the extent possible. It is to be noted that any data pertaining to the financial statements upto to the period 7 May 2021 provided to the auditors for the purpose of audit, pertain to the period prior to the initiation of CIRP and therefore, while facilitating the collection and dissemination of the said information, the Liquidator has relied upon and assumed the accuracy/veracity of the data/information gathered by him and placed confidence in the data/information available to him without personally verifying. Accordingly, the Liquidator shall be absolved from the responsibility of accuracy, veracity and sufficiency or completeness of such information. Readers and users of these statements are advised to do their due diligence before arriving at any conclusions. The financial statements have been signed by the Liquidator merely to facilitate the Corporate Insolvency & Resolution Process and Liquidation Process and to comply with the statutory requirements without any liability of the same.
- f) As a part of Liquidation, creditors of the company were called upon to submit their claims to the Liquidator in terms of the applicable provisions of Insolvency and Bankruptcy Code, 2016. Operational Creditors and Workmen and Employee claims are not reinstated on the basis of claims received under Liquidation process. Financials claims have been provided in the books upto the date of preparation of financial statements i.e. 31 March 2022 to the extent of information available and the accuracy of balances cannot be verified and may be materially misstated to that extent.

Summary of Claims admitted by the Liquidator as on Liquidation Commencement Date i.e. 11 October 2022 is as follows:

(Amount in INR '000)

| Particulars                                                             | Amount Claimed      | Claims Admitted     | Claim amount Under Verification |
|-------------------------------------------------------------------------|---------------------|---------------------|---------------------------------|
| Financial Creditors                                                     | 57,23,066.26        | 57,23,066.26        | -                               |
| Operational Creditors<br>(Other than Government, Workmen and Employees) | 23,711.92           | 10,613.70           | 13,098.21                       |
| Operational Creditors (Government)                                      | 1,32,424.19         | 1,32,049.13         | 375.06                          |
| Employee Claims                                                         | 10,662.19           | 4,892.57            | 5,769.62                        |
| <b>TOTAL</b>                                                            | <b>58,89,864.56</b> | <b>58,70,621.66</b> | <b>19,242.90</b>                |

g) **Non-Compliance of applicable laws and regulations:**

As a consequence of the matters described above and various other matters discussed in these financial statements, the company is not in compliance with various laws and regulations even before the CIRP was initiated, including certain requirement of the Companies Act, 2013, FEMA, Provident Funds, Income Tax, GST, etc. Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine the impact/consequences, including financial and operational impact of such non compliances on the company.

- h) The RP has appointed auditors for auditing transactions falling with the meaning of section 43 to section 66 of the insolvency and bankruptcy code, 2016. Summary of Transactions falling with meaning Section 43 to Section 66 of Insolvency Bankruptcy Code, 2016 is as follows:

| Particulars                                  | Fictitious Trade Receivables<br>(In INR) In Crs | Funds Siphoned<br>(In INR) In Crs |
|----------------------------------------------|-------------------------------------------------|-----------------------------------|
| Ajay Ajit Peter Kerkar                       | 461.22                                          | 41.18                             |
| Vanaja Nagrajan                              | -                                               | 41.18                             |
| Milind Gandhi                                | -                                               | 41.18                             |
| Matangi Gowrishankar                         | -                                               | 41.18                             |
| Jayesh Shah                                  | -                                               | 41.18                             |
| Sampath Krishnan                             | -                                               | 41.18                             |
| Shailesh Pednekar                            | -                                               | 41.18                             |
| Bapi Munshi                                  | -                                               | 41.18                             |
| Arup Sen                                     | -                                               | 41.18                             |
| Urrshila Kerkar                              | -                                               | 41.18                             |
| Vellattu Ravindra Menon                      | -                                               | 41.18                             |
| Cox & Kings Limited                          | -                                               | 12.50                             |
| The Ultimate Travelling Camp Private Limited | -                                               | 12.50                             |
| <b>Total</b>                                 | <b>461.22</b>                                   | <b>478.00</b>                     |

- i) Due to non-availability/completeness of information on books of accounts and other documents & records of the Company, following cannot be ascertained in relation to Revenue, Expenses, Assets & Liabilities of the Company:
  - i) Completeness and Accuracy of Expenses and Income
  - ii) Existence and Accuracy of Assets and Liabilities

Also, due to non-availability of information on status of legal cases, demands notices from GST, Income Tax, TDS and any other notices from government authorities, contingent Liability cannot be determined and hence not reported.

**j) Subsequent Events**

The Resolution Professional had issued Expression of Interest during Corporate Insolvency Resolution period for receiving Resolution Plans. However, in view of no viable resolution plans being received, the COC had resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company had been filed with Hon'ble NCLT on 8th June, 2022. The Hon'ble NCLT Mumbai vide its order dated 11th October, 2022 had ordered commencement of liquidation of Cox & Kings Financial Service Limited and vide the same order has appointed Resolution Professional as the Liquidator. As on the date of signing of these financial statement, substantial uncertainties exist in relation to the future operations the Company and thereby carrying value of the assets. Hence, as on 31 March 2022, adequate provisions has been made to the carrying value of assets to reflect the same at the net realisable value.

- k) The financial statements for the period ended 31 March 2022 has been prepared basis the trial balance as on 31 March 2022 which is on the basis of the carrying balance of assets and liabilities as on 31 March 2019 and day book entries available from 1st April 2019 to 30 September 2019 and Bank statements to the extent available with RP for the period 1 October 2019 to 7 May 2021. The financial statements for the year ended 31 March 2022 has been prepared on the basis of available bank statements and the expenses ratified by the Committee of Creditors ("CoC"). The financial statements for the year ended 31 March 2022 encompasses significant exceptions/adjustments arising from the discrepancies in the closing balances reported in the financial statements for the year ended 31 March 2021, errors and omissions in the book of accounts and the numerous transactions (subject to the outcome of ongoing Transaction Audit) undertaken prior to the commencement of CIRP when the powers of supervising and directing the affairs of the Company were vested with the Board of Directors. Accordingly, the best judgement assessment and estimation of closing balances as on 7 May 2021, 31 March 2021 and as on 31 March 2020 have been done to the extent possible but the accuracy and reliability of these balances cannot be assured or verified. With respect to the financial statements for the year ended 31 March 2022; the Liquidator has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws and subject to the following disclaimers:

i) The Liquidator has signed on the financial statements in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the Liquidator in terms of Section 233 of the Code

(ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Liquidator including his authorized representatives and advisors;

(iii) The RP/Liquidator were not extended any co-operation by the Directors, KMPs and there were no employees and officers in the Company, who are responsible for the integrity and reliability of the financial information of the Company, hence practical and reasonable efforts have been made to collect financial information for preparation of the financial statements. The application has been filed by the Liquidator under Section 19(2) of IBC before the Hon'ble NCLT, Mumbai Bench which was heard on 3rd January, 2023. The application was declared as infructuous by the Bench as the Company had been admitted under Liquidation. The Directors and KMPs of the Company are under investigation by various government agencies including SFIO and significant accounting irregularities have been identified raising apprehensions about the reliability and accuracy of the accounting books and records pertaining to the period prior to the commencement of CIRP.

(iv) The Liquidator, to comply with applicable laws pertaining to the publication of financial statements, has relied upon the information, records, documents, day book and bank statements to the extent available. The financial statements of the Company for the period ended March 31, 2022 have been signed and taken on record solely on the basis of and relying upon the aforesaid records and documents despite the challenging circumstances. Accordingly, no representations can be made regarding accuracy, veracity or completeness of the data or information in the financial statements.

- l) The Resolution Professional and the COC have attempted to find an acceptable resolution plan to continue the company as a going concern. However, in view of no viable resolution plans being approved, the COC have resolved on 4 April 2022 to liquidate the company. Consequently, an application for the liquidation of the company has been filed with the NCLT on 8 June 2022 and the Hon'ble NCLT Mumbai has ordered the commencement of liquidation of the Cox & Kings Financial Service Limited on 11 October 2022. The RP was appointed as Liquidator.

As on the date of signing of these financial statement substantial uncertainties exist in relation to the future operations the Company and thereby carrying value of assets. Hence, as on 31 March 2022, adequate provisions has been made to the carrying value of assets to reflect the same at the net realisable value

The Company has accumulated losses of INR 65,14,625.66 thousand and the Company has registered net loss of INR 5,28,105.14 thousand during the year ended 31 March 2022 and of INR 5,44,468.27 thousand for the previous year ended 31 March 2021 (including provision for finance cost and depreciation).

All the above events cast significant uncertainty on the ability of the company to continue as a going concern in the foreseeable future.

- m) In the absence of records prior to the CIRP date, the RP is unable to comment on whether the Company holds any Benami property
- n) The provision of the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 are not applicable to the Company
- o) No instances during the financial year 2021-22 indicate applicability of Section 230 to 237 of the Companies Act, 2013 on the Company
- p) As the Company is under CIRP during the year under audit, it enjoys moratorium under section 14 of the IBC, 2016 and hence tax assessment notice, if any, has not been considered currently by the RP for the purpose of reporting in the financial statements and hence there are no instances of any transactions not being recorded in the books that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- q) The provision relating to section 135 of the Companies Act, 2013 on Corporate Social Responsibility is not applicable to the Company
- r) The Company has not traded or invested in Crypto Currency or Virtual Currency during the year under audit
- s) As the company is under CIRP and had no operations during the year under audit, the ratios as required by Schedule III, Division III of the Companies Act, 2013 are not disclosed.
- t) The figure for the corresponding previous year have been restated / regrouped wherever necessary and information was available, to make them comparable with the current period. Wherever the regrouping information were not available, current year's figures are posted as per the available information.

As per our report of even date attached

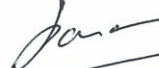
For JHS Associates LLP  
Chartered Accountants  
Firm Registration No: 133288W / W100099

tasnim alihusain  
tankiwala

Tasnim Tankiwala  
Partner  
Membership No. 108263

Place: Mumbai  
Date: 27 March 2023

For Cox & Kings Financial Service Limited

  
Pardeep Kumar Sethi

Liquidator of Cox & Kings Financial Service Limited - In Liquidation (Erstwhile Resolution Professional)

IBBI Registration no. IBBI/PA-001/IP-P00711/2017-2018/11265

Place: Mumbai  
Date: 27 March 2023

