

KUSUM SPICES

IND AS FINAL ACCOUNTS

FINANCIAL YEAR : 2023-24

ASL & CO.

**Chartered Accountants
302 Eco Space,
Mogra Village,
Off Old Nagardas Road,
Andheri East,
Mumbai 400069**

Tel : 40473900

Independent Auditor's Report

To,
The Management of **FOODS & INNS LTD.**
Mumbai

Report on the Audit of the Ind AS Financial Statements of KUSUM SPICES for the period from 1st April, 2023 to 21st March, 2024

Opinion

We have audited the attached Ind AS Financial Statements of **KUSUM SPICES** ("the Firm"), which comprise the Balance Sheet as at 21st March, 2024, the Statement of Profit and Loss (Including other Comprehensive Income) and the Statement of Cash Flows for the period from 1st April 2023 to 21st March, 2024, and the Statement of changes in Equity for the period from 1st April 2023 to 21st March, 2024, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

This report is intended solely for use of the management of Foods & Inns Limited (partner in the reporting firm having 99.99% share in the profits) in the preparation of their Consolidated Financial Statements for the year ended March 31, 2024.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") accounting principles generally accepted in India, of the state of affairs of the Firm as at March 21, 2024 its Profit, total comprehensive income, changes in equity and its Cash Flows for the period from 1st April, 2023 to 21st March, 2024.

Basis for Opinion

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Firm's Partners are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Firm in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Firm 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, the Partners are responsible for assessing the Firm'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 the Partners either intends to liquidate the Firm or to cease operations, or has no realistic alternative but to do so.

The Partners are also responsible for overseeing the firm's financial reporting process.

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the partners.
- Conclude on the appropriateness of partners' 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 Firm'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. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on Other Legal and Regulatory Requirements

Further, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required under the Indian Accounting standards have been kept by the Firm so far as appears from our examination of those books and proper return adequate for the purpose of our audit.

The Balance Sheet, Statement of Profit & Loss including other comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are prepared from the books of accounts so maintained after considering adjustments that may be required to restate the same as per Indian Accounting Standards (Ind AS).

For ASL & Co.
Chartered Accountants

(Regn. No. 101921W)

Saurabh P. Shah
(Partner)



Membership No.: 41749
UDIN: 24041749BKEMXB5029

Place: Mumbai
Date: May 02, 2024

KUSUM SPICES
IND AS BALANCE SHEET AS AT 21ST MARCH 2024

	Notes	As at 21st March'24 Amount (Rs.)	As at 31st March'23 Amount (Rs.)
ASSETS			
(1) NON CURRENT ASSETS			
(i) Property, Plant & Equipment	2	1,02,49,742	96,34,294
(ii) Intangibles	2	11,758	42,560
(iii) <u>Financial Assets</u>			
Others	3	1,20,25,176	95,15,891
(iv) Deferred Tax Assets	4	30,60,376	4,78,608
(2) CURRENT ASSETS			
(i) Inventories	5	14,78,27,479	8,82,06,956
(ii) <u>Financial Assets</u>			
- Trade Receivables	6	2,95,43,362	1,44,70,488
- Cash & Cash Equivalents	7	4,35,174	34,28,671
- Others	8	12,87,782	7,53,303
(iii) Other Current Assets	9	1,48,90,606	1,40,77,737
TOTAL		21,93,31,455	14,06,08,508
EQUITY & LIABILITIES			
EQUITY			
(i) Partners Capital Accounts	10	10,00,000	6,88,34,760
LIABILITIES			
1 NON- CURRENT LIABILITIES			
(i) Financial Liabilities			
- Borrowings	11	25,88,696	78,24,913
- Provisions	12	10,02,164	5,99,432
2 CURRENT LIABILITIES			
(i) Financial Liabilities			
- Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	13	1,92,36,842	2,31,85,773
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,72,99,461	46,71,308
- Borrowings	14	14,33,86,475	2,97,45,412
- Others		32,00,992	47,30,034
(ii) Other Current Liabilities	15	9,51,864	7,27,788
(iii) Short Term provisions	16	6,64,960	2,89,088
TOTAL		21,93,31,455	14,06,08,508

Significant accounting policies & Notes to accounts

1 to 29

As per our Report of Even date

For **ASL & CO.**

Chartered Accountants

Firm Regn. No. 101921W

Saurabh P. Shah
(Partner)

Membership No. 41749

UDIN: 24041749BKEMXB5029

Place : Mumbai

Date : 02 May, 2024



For **KUSUM SPICES**


Moley Saha
(Partner)

Place : Mumbai
Date : 02 May, 2024

For **Foods & Inns Ltd.**


Milan Dalal - Director
(Partner)

Place : Mumbai

Date : 02 May, 2024

KUSUM SPICES

STATEMENT OF INCOME AS PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 1ST APRIL, 2023 TO 21ST MARCH, 2024

		<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>INCOME</u>			
Revenue from Operations	17	22,41,58,076	18,35,65,503
Other Income	18	21,74,767	21,75,020
Total Income		22,63,32,843	18,57,40,523
<u>EXPENDITURE</u>			
Changes in inventories of finished goods, and Stock-in-Trade	19	(53,07,190)	4,48,194
Cost of Goods Sold	20	17,39,59,270	13,35,38,880
Employee Benefit Expenses	21	2,19,91,102	1,86,18,862
Finance Charges	22	55,43,395	33,88,951
Other Expenses	23	2,54,11,025	2,32,71,580
Depreciation		9,81,545	9,09,784
Total Expenses		22,25,79,147	18,01,76,251
Net Profit before tax		37,53,696	55,64,272
Less: Prior Period Expenses		8,64,053	-
Net Profit for the period before Tax		28,89,643	55,64,272
Less : Provision for Income Tax		43,21,000	17,18,000
Less : Tax Adjustments of earlier Years		(4,236)	2,21,170
Less : Deferred tax		(25,54,182)	(2,35,247)
Net Profit for the period after Tax		11,27,061	38,60,349
Other Comprehensive Income			
<u>Items that will not be reclassified to Profit & Loss</u>		-	-
Remeasurement of the defined benefit plans		(78,943)	(1,34,385)
Income tax on above		27,586	46,959
Total Other Comprehensive Income (net of Tax)		(51,357)	(87,426)
Total Comprehensive Income (net of Tax) and Other comprehensive Income for the period)		10,75,703	37,72,923

Significant accounting policies &
Notes to accounts

1 to 29

As per our Report of Even date

For ASL & Co.

Chartered Accountants

Firm Regn. No. 101921W

Saurabh H. Shah
(Partner)

Membership No. 41749

UDIN: 24041749BKEMXB5029

Place : Mumbai

Date : 02 May, 2024

For KUSUM SPICES

Moloy Saha
(Partner)

Place : Mumbai

Date : 02 May, 2024

For Foods & Inns Ltd.

Milan Dalal - Director
(Partner)



KUSUM SPICES

IND AS CASH FLOW STATEMENT FOR THE PERIOD ENDED 21ST MARCH, 2024

	Period Ended		Year Ended	
	21st March'24		31st March'23	
	<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>
A. Cash Flow arising from operating activities				
Net Profit /(Loss) before Tax		28,89,643		55,64,272
Add :-				
a) Depreciation		9,81,545		9,09,784
b) Remeasurement of the defined benefit plans		(78,943)		(1,34,385)
c) Loss on sale of assets		6,918		-
d) Notional Interest under Ind AS		(1,10,233)		(51,984)
e) Notional Rent under Ind AS		1,20,925		59,697
Operating Profit/(Loss) before working capital changes		38,09,855		63,47,384
Adjustments for :-				
Inventories	(5,96,20,523)		(2,95,98,936)	
Trade & Other Receivables	(2,13,37,421)		(8,80,883)	
Trade and other payables	3,79,34,731	(4,30,23,213)	66,57,117	(2,38,22,702)
Cash generated from operations		(3,92,13,358)		(1,74,75,318)
Income Tax Paid/ Provided		8,18,589		(68,56,393)
Net Cash flow operating activities		(3,83,94,769)		(2,43,31,711)
B. Cash flow from Investing activities				
Purchase of Property, Plant & Equipment		(15,88,734)		(11,30,154)
Sale of Property, Plant & Equipment		15,625		-
Net cash Generated/(used) in investing activities		(15,73,109)		(11,30,154)
C. Cash flow from financing activities				
Capital Introduced / (Withdrawn)		4,50,00,000		1,25,45,000
Security Deposit		(25,20,000)		(96,19,500)
Bank Deposit Redeemed		-		73,39,621
Borrowings		(55,05,619)		1,81,43,220
Net Cash Generated/(used) in financing activities		3,69,74,381		2,84,08,341
Net Increase/(decrease) in Cash & cash equivalents		(29,93,497)		29,46,476
Cash & cash equivalents as on 1st April 2023 (Op. Bal.)		34,28,671		4,82,195
Cash & cash equivalents as on 21st March, 2024 (Cl. Bal.)		4,35,174		34,28,671

(Refer Note No. 6)

Note : The above Cash Flow Statement has been prepared under the Indirect Method as set in the Indian Accounting Standard - Ind AS7 - Statement of Cash Flow.

As per our report of even date attached

For ASL & Co.

Chartered Accountants

Firm Regn. No. 101921W

Saurabh P. Shah
(Partner)

Membership No. 41749

UDIN: 24041749BKEMXB5029

Place : Mumbai

Date : 02 May, 2024



For KUSUM SPICES

Moloy Saha
(Partner)



For Foods & Inns Ltd.

Milan Dalal - Director
(Partner)

Place : Mumbai

Date : 02 May, 2024

KUSUM SPICES

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 21ST MARCH, 2024

OWNERS EQUITY

As on 21st March'24

Amount (Rs.)

Particulars	Partners Capital	Other items of Other Comprehensiv e Income	Total
Balance at the beginning of the reporting period	6,88,34,760	-	6,88,34,760
Profit for the year	11,27,061	-	11,27,061
Other Comprehensive Income for the year	(78,943)	-	(78,943)
Income tax on above	27,586	-	27,586
Capital Introduced (Net of withdrawal)	4,50,00,000	-	4,50,00,000
Capital converted into Loan	(11,39,10,464)	-	(11,39,10,464)
Balance at the end of the reporting period	10,00,000	-	11,49,10,464

As on 31st March'23

Amount (Rs.)

Particulars	Partners Capital	Other items of Other Comprehensiv e Income	Total
Balance at the beginning of the reporting period	5,25,16,837	-	5,25,16,837
Profit for the year	38,60,349	-	38,60,349
Other Comprehensive Income for the year	(1,34,385)	-	(1,34,385)
Income tax on above	46,959	-	46,959
Capital Introduced (Net of withdrawal)	1,25,45,000	-	1,25,45,000
Balance at the end of the reporting period	6,88,34,760	-	6,88,34,760



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

A. Firm's Information

Kusum Spices (the 'Firm') is a domestic firm registered under the Indian Partnership Act, 1932, with Foods & Inns Ltd., having a 99.99% share in its profits / losses, The Firm has been converted into a Private Limited Company vide Certificate of Incorporation dated 22nd March, 2024 issued by the Central Registration Centre, Registrar of Companies, Ministry of Corporate Affairs. Accordingly, the accounts are prepared up to 21st March, 2024, the date of conversion.

B. Basis of Preparation

These financial statements are the separate financial statements of the Firm (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards - Ind AS notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to these Financial Statements except rounding off.

The financial statements have been prepared on an accrual basis and under the historic cost basis except that certain Financial Assets and Financial Liabilities that are measured at the fair value, at the end of each reporting period, as stated in the accounting policies stated here in below.

Firm's financial statements are presented in Indian Rupees, which is also its functional currency.

C. The Annual Financial Statements have been prepared as to comply with the the Indian Accounting Standards as prescribed by the Institute of Chartered Accountants of India and notified under the Companies Act, 2013

D. SIGNIFICANT ACCOUNTING POLICIES

(i) Property, Plant and Equipment and Intangibles

a. Property Plant and Equipment are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working conditions for its intended use, less accumulated depreciation / amortization / impairment losses, if any.

Property, Plant and Equipment are eliminated from financial statements on disposal. Gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit & Loss in the year of occurrence.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

b . Intangible assets are stated at cost less accumulated amortization

c . Depreciation & Amortization

Depreciation is provided for on Straight Line Method as per the useful lives determined in accordance with Schedule II of the Companies Act, 2013.

(ii) Financial Assets

a . General

Classification

Firm classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition & 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 cost of the financial assets.

In the opinion of the management the transaction value is considered to be the fair value for this purpose, unless otherwise stated.

Subsequent Measurement

For the purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Financial assets at amortised cost
- b) Financial assets at fair value

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold asset for collecting contractual cash flows and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising on impairment are recognised in the Statement of Profit & Loss.

When assets are measured at fair value, gains and losses are either recognised in other comprehensive income i.e. fair value through other comprehensive income (FVOCI) or recognised in the Statement of Profit & Loss i.e. fair value through profit or loss (FVTPL)



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

Financial assets under FVOCI are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

Financial assets under FVTPL are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Derecognition of Financial Assets

A financial asset is derecognized when the right to receive cash flows from the asset has expired or the Firm has transferred its right to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Firm applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debts instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Firm determines that whether there has been a significant increase in the credit risk since initial recognition.

(iii) Inventories

Inventories are valued as under :

- (i) Raw Materials & Packing materials - at lower of cost and net realisable value
- (ii) Finished Goods - at lower of cost and net realisable value

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short term deposits, with an original maturity of three months or less , which are subject to an insignificant risk of of changes in value.

(v) Financial Liabilities

Initial Recognition & Measurement

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

In the opinion of the management the transaction value is considered to be the fair value for this purpose, unless otherwise stated.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

Subsequent Measurement

All the financial liabilities are subsequently measured at Fair Value through Profit or Loss.

Derecognition of Financial Liabilities

A financial liability is derecognized 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 & Loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

(vi) Provisions, Contingent Liabilities And Contingent Assets

Provisions are recognised when the Firm has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Firm expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provision is made for accrues liabilities.

Contingent liabilities are disclosed when there is a possible obligation arising from past event, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Firm or a present obligation that arises from future events not wholly within the control of the Firm or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent liabilities are disclosed in the notes.

Contingent Assets are neither recognised nor disclosed in the financial statements.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

(vii) Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

(viii) Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Firm and the revenue can be reliably measured. Revenue is measured at the fair value and the contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

- a. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, as per the terms of the contract.

In case of Exports of Goods , the revenue is recognised when goods are handed over to the shipping company.

Sales exclude amounts recovered towards GST and trade discount.

Export sales are recorded on FOB basis.

- b. Revenues from services are recognized when the services are rendered. Interest income is recognised on time proportion basis taking into account the amount outstanding and applicable interest rate.
- c. The export incentives and benefits are accounted for in the year of actual receipts, due to uncertainty of realisation.

(ix) Input GST Credit

- a. Additions to Fixed Assets are net of GST credit benefit, if any, available on the respective asset.
- b. Materials Consumed (including packing materials) are net of GST credit available on materials purchased during the year.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

(x) **Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and / or restatement are dealt with in the Statement of Profit & Loss as income or expenses of the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit & Loss.

Gains / Losses on account of fluctuations in the exchange rate are accounted for in the year in which these arise.

Exports and Trade Receivables

The Exports sales are accounted at the exchange rate prevailing on the date of the transaction. Trade receivables in respect of the same as at the year end are carried at the exchange rate prevailing at the year end.

(xi) **Employee benefits:**

Short Term Employee Benefits

Bonus is accounted on payment basis and is debited to the Statement of Profit & Loss in the year of payment.

Long Term Employee Benefits

Defined Benefit Plans - Gratuity

In accordance with applicable Indian laws, the Firm provides for gratuity, a defined benefit retirement Gratuity plan covering all employees. The Gratuity plan provides for a lump sum payment to vested employees, at retirement or death while in employment or on termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Firm. Vesting occurs upon completion of five years of service. Liability with regard to Gratuity Plan is accrued based on actuarial actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

Defined Benefit Plans - Compensated Absences

The Firm measures the expected cost of compensated absences as the additional amount that the Firm expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

(xii) Leases

Where the Firm is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit & Loss of the respective period.

Short Term leases

The Firm has elected not to recognise rights-of-use assets and lease liabilities for short term leases that have a lease term ending within 12 months and the firm recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

(xiii) Borrowing Cost

Borrowing costs are charged to revenue unless they are attributable to the acquisition or construction of Fixed Assets. In case the borrowing costs are attributable to acquisition or construction of fixed assets, the costs incurred up to the date of the completion of acquisition or construction are capitalized and thereafter charged to revenue.

(xiv) Taxes on Income

Provision for current tax is made after taking into consideration the benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured based on the tax rates and the tax laws that have been enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Current and deferred tax are recognized in the Statement of Profit & Loss, except when they relate to items that are recognized in Other Comprehensive Income in which case the current and deferred tax are recognized in Other Comprehensive Income.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

E . Fair Value Measurement

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing an asset or liability acting in their best economic interest.

Firm measures financial instruments at fair value at each balance sheet date in accordance with Ind AS 113.

Financial Statements have been prepared on the historical cost basis.

The Firm uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximize the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the purpose of fair value disclosures, the Firm has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liability.

F . Recent Accounting Pronouncements

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is no such notification which would be applicable from 1st April 2023.

G . Capital Management

The Firm's objective when managing capital (defined as net debt and equity) is to safeguard the Firm's ability to continue as a going concern in order to provide returns and benefits for its stakeholders, while protecting and strengthening the balance sheet through the appropriate balance of debt and equity funding. The Firm manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Firm.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

H. Financial Instruments – Fair Value and Risk Management

- a. Fair Value Measurements
- b. Fair Value Hierarchy
- c. Financial Risk Management

a) Fair Value Measurements

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

b) Fair Value Hierarchy

The Firm uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 :** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 :** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 :** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Firm determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.



KUSUM SPICES

**NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED
21ST MARCH, 2024**

**1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS
FINANCIAL STATEMENTS**

The carrying values and fair values of financial instruments by categories are as follows :

Particulars	As on 31st March, 2024				As on 31st March, 2023			
	Carrying value	Fair Value			Carrying value	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets at Fair Value								
Through Profit and Loss (FVTPL)								
Non - Current								
i) Others	1,20,25,176	-	-	1,20,25,176	95,15,891	-	-	95,15,891
Sub total	1,20,25,176	-	-	1,20,25,176	95,15,891	-	-	95,15,891
Current								
i) Trade receivables	2,95,43,362	-	-	2,95,43,362	1,44,70,488	-	-	1,44,70,488
ii) Cash and cash equivalents	4,35,174	-	-	4,35,174	34,28,671	-	-	34,28,671
iii) Others	12,87,782	-	-	12,87,782	7,53,303	-	-	7,53,303
Sub total	3,12,66,318	-	-	3,12,66,318	1,86,52,462	-	-	1,86,52,462
Total	4,32,91,494	-	-	4,32,91,494	2,81,68,353	-	-	2,81,68,353
Financial liabilities at Fair Value								
Through Profit and Loss (FVTPL)								
Current								
i) Trade Payables	6,65,36,303	-	-	6,65,36,303	46,71,308	-	-	46,71,308
ii) Borrowings	14,33,86,475	-	-	14,33,86,475	2,97,45,412	-	-	2,97,45,412
iii) Others	32,00,992	-	-	32,00,992	47,30,034	-	-	47,30,034
Sub total	21,31,23,770	-	-	21,31,23,770	3,91,46,754	-	-	3,91,46,754
Total	21,31,23,770	-	-	21,31,23,770	3,91,46,754	-	-	3,91,46,754



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

1 . SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

c) **Financial Risk Management**

The Firm's principal financial liabilities comprises trade and other payables. The main purpose of these financial liabilities is to finance the Firm's operations. The Firm's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Firm is exposed to market risk, credit risk and liquidity risk. The Firm's management oversees the management of these risks. The Firm's management assures that the Firm's financial risk are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Firm's policies and risk objectives. The Firm reviews and agrees policies for managing each of these risks, which are summarized below.

Market Risk

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. In order to balance the Firm's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk Management. The Firm is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

Foreign Currency Risk is that risk that the fair value of Future Cash flows of an exposure will fluctuate because of changes in foreign exchange rates on account of the various assets and liabilities which are denominated in currencies other than Indian Rupees. The Firm does not enter in to forward exchange contracts to hedge its foreign currency exposures. The exposure in foreign currencies is not material.

Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Firm is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions, investments and other financial instruments.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE IND AS FINANCIAL STATEMENTS

Trade receivables

Customer credit risk is managed by each business unit subject to the Firm's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Trade receivables are evaluated by the Firm based on specific country risk factors, individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Firm's management in accordance with the Firm's policy. Investments of surplus funds are made with counterparties approved by the firm.

Liquidity risk

Liquidity risk refers to the risk that the Firm cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that that funds are available for use as per requirements. The Firm consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due.



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

Amount (Rs.)

NOTE 2 : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Carrying Amounts, including Reconciliation

Property Plant & Equipment

2.1 Current Year (Period ended on 21st Mar' 2024)

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 01/04/2023	Additions during the year	Disposal during the year	As on 21/03/2024	Upto 01/04/2023	For the Year	Adjustments	Upto 21/03/2024	As on 21/03/2024
Computers	4,71,859	71,422	-	5,43,281	3,30,708	90,845	-	4,21,553	1,21,728
Office Equipments	2,69,453	49,315	-	3,18,768	82,188	45,141	-	1,27,329	1,91,439
Vehicles	11,38,267	-	(36,573)	11,01,694	1,46,475	1,13,517	(14,030)	2,45,962	8,55,732
Plant & Machinery	94,72,587	14,62,497	-	1,09,35,084	16,14,828	6,54,400	-	22,69,228	86,65,856
Furniture	4,80,345	5,500	-	4,85,845	24,018	46,840	-	70,858	4,14,988
TOTAL	1,18,32,510	15,88,734	(36,573)	1,33,84,671	21,98,217	9,50,743	(14,030)	31,34,930	1,02,49,742



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

NOTE 2 : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Amount (Rs.)

Carrying Amounts, including Reconciliation

2.2 Previous Year (Year Ended on 31st Mar' 2023)

Description of Assets	GROSS BLOCK					DEPRECIATION			NET BLOCK
	As on 01/04/2022	Additions during the year	Disposal during the year	As on 31/03/2023	Upto 01/04/2022	For the Year	Adjustments	Upto 31/03/2023	
Computers	4,38,359	33,500	-	4,71,859	1,88,123	1,42,585	-	3,30,708	1,41,151
Office Equipments	1,57,136	1,12,317	-	2,69,453	53,670	28,518	-	82,188	1,87,265
Vehicles	11,38,267	-	-	11,38,267	26,614	1,19,861	-	1,46,475	9,91,792
Plant & Machinery	89,68,594	5,03,993	-	94,72,587	10,51,696	5,63,132	-	16,14,828	78,57,759
Furniture	-	4,80,345	-	4,80,345	-	24,018	-	24,018	4,56,328
TOTAL	1,07,02,356	11,30,154	-	1,18,32,510	13,20,103	8,78,114	-	21,98,217	96,34,294



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

Amount (Rs.)

NOTE 2 : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

Carrying Amounts, including Reconciliation

Intangibles

2.3 Current Year

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK
	As on 01/04/2023	Additions during the year	Disposal during the year	As on 21/03/2024	Upto 01/04/2023	For the Year Adjustments	Upto 21/03/2024	
Software	1,00,000	-	-	1,00,000	57,440	30,802	88,242	11,758
TOTAL	1,00,000	-	-	1,00,000	57,440	30,802	88,242	11,758

2.4 Previous Year

Description of Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK
	As on 01/04/2022	Additions during the year	Disposal during the year	As on 31/03/2023	Upto 01/04/2022	For the Year Adjustments	Upto 31/03/2023	
Software	1,00,000	-	-	1,00,000	25,770	31,670	57,440	42,560
TOTAL	1,00,000	-	-	1,00,000	25,770	31,670	57,440	42,560



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

	<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>NOTE 3 : NON CURRENT FINANCIAL ASSETS</u>		
Security Deposits	1,20,25,176	95,15,891
	1,20,25,176	95,15,891
<u>NOTE 4 : DEFERRED TAX ASSET</u>		
- Impact of Difference between tax depreciation and depreciation charged for financial reporting	1,26,780	2,69,144
- Impact of Disallowances (Section 43B of IT Act)	25,83,401	-
- Impact of Disallowances (Gratuity Provision)	3,50,195	2,09,464
	30,60,376	4,78,608
<u>NOTE 5 : INVENTORIES</u>		
(At lower of cost and net realisable value)		
Finished goods	2,24,65,690	1,71,58,500
Raw Materials	11,86,20,981	6,53,02,707
Packing Materials	67,40,808	57,45,749
	14,78,27,479	8,82,06,956
<u>NOTE 6 : TRADE RECEIVABLES</u>		
(Unsecured considered good)		
Domestic	2,95,43,362	1,44,70,488
	2,95,43,362	1,44,70,488
No provision for any impairment of Trade Receivables is considered necessary (Refer Annexure A for Ageing)		
<u>NOTE 7 : CASH & CASH EQUIVALENTS</u>		
Cash Balance	3,69,910	2,55,208
Bank Balances	65,264	31,73,463
	4,35,174	34,28,671
<u>NOTE 8 : OTHER CURRENT FINANCIAL ASSETS</u>		
Advances Recoverable	12,87,782	7,53,303
	12,87,782	7,53,303
<u>NOTE 9 : OTHER CURRENT ASSETS</u>		
Advances Recoverable	18,35,650	10,52,743
GST Refunds	3,15,862	74,056
GST Input Tax Credit	1,27,39,094	80,33,715
Income Tax (net of provisions)	-	49,17,223
	1,48,90,606	1,40,77,737
	4,38,963	4,38,963
(Advances Recoverable include amount from a Company where a Partner is a Director)		



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

	<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>NOTE 10 : PARTNERS' CAPITAL ACCOUNTS</u>		
<u>Partner's Capital Account</u>		
Foods and Inns Ltd.	9,99,900	6,88,28,938
Moloy Saha	100	5,822
	10,00,000	6,88,34,760
 <u>NOTE 11 : NON - CURRENT FINANCIAL LIABILITIES</u>		
<u>Secured</u>		
Long Term Borrowings	25,88,696	78,24,913
(Secured by Charge on Property, Plant & Equipment, entire Current Assets & by Lien on Security Deposit of Rs. 75 Lakhs)		
	25,88,696	78,24,913
 <u>NOTE 12 : PROVISIONS</u>		
Gratuity Payable	10,02,164	5,99,432
	10,02,164	5,99,432
 <u>NOTE 13 : TRADE PAYABLES</u>		
<u>Due to Micro and Small Enterprises</u>		
For Goods	1,87,32,590	2,31,24,597
For Expenses	5,04,252	61,176
	1,92,36,842	2,31,85,773
 <u>Due to Others</u>		
For Goods	4,62,39,714	38,77,548
For Expenses	10,59,747	7,93,760
(Refer Annexure B for Ageing)	4,72,99,461	46,71,308
 <u>NOTE 14 : CURRENT FINANCIAL LIABILITIES</u>		
<u>Secured</u>		
Short Term Borrowings	2,50,00,000	2,50,00,000
Current Maturities of Long-Term Borrowings (Also Refer Note No. 11)	52,40,476	47,45,412
(Secured by Charge on Property, Plant & Equipment, entire Current Assets & by Lien on Security Deposit of Rs. 75 Lakhs)		
<u>Unsecured</u>		
From Partners	11,31,46,000	-
	14,33,86,475	2,97,45,412
 <u>NOTE 15 : OTHER CURRENT LIABILITIES</u>		
Advances from Customers	2,42,604	1,26,464
Statutory Liabilities & Provisions	5,42,809	6,01,324
Overdrawn Bank Balance	1,66,451	-
	9,51,864	7,27,788



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

	<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>NOTE 16 : SHORT TERM PROVISIONS</u>		
Provision for Income Tax (net of taxes paid)	2,18,129	-
Leave Encashment Payable	4,46,831	2,89,088
	<u>6,64,960</u>	<u>2,89,088</u>
<u>NOTE 17 : REVENUE FROM OPERATIONS</u>		
Sales of goods	<u>22,41,58,076</u>	<u>18,35,65,503</u>
	<u>22,41,58,076</u>	<u>18,35,65,503</u>
Revenue from contracts with customers		
I. Revenue from contracts with customers disaggregated based on geography -		
<u>Particulars</u>		
Domestic	20,19,32,489	15,13,79,490
Export	<u>2,22,25,587</u>	<u>3,21,86,013</u>
	<u>22,41,58,076</u>	<u>18,35,65,503</u>
II. Revenue recognised from Contract liability (Advances from Customers)		
<u>Particulars</u>		
Closing contract Liability	<u>2,42,604</u>	<u>1,26,464</u>
<u>NOTE 18 : OTHER INCOME</u>		
Export Incentives	1,26,442	7,66,867
Foreign Exchange Difference	1,36,768	3,46,004
Interest on Bank Deposit	-	56,771
Interest on Income Tax Refund	1,97,700	-
Storage Charges	13,44,828	7,50,000
Interest on Security Deposits	3,69,029	2,54,176
Other Income	-	1,202
	<u>21,74,767</u>	<u>21,75,020</u>
<u>NOTE 19 : (INCREASE)/ DECREASE IN STOCK</u>		
Opening stock of Finished goods	1,71,58,500	1,76,06,694
Less : Closing stock of Finished goods	<u>2,24,65,690</u>	<u>1,71,58,500</u>
	<u>(53,07,190)</u>	<u>4,48,194</u>



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

	<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>NOTE 20 : COST OF MATERIALS CONSUMED</u>		
<u>Raw Materials Consumed</u>		
Opening Stock	6,53,02,707	3,68,10,828
Purchases	21,37,68,020	14,99,28,920
	27,90,70,727	18,67,39,748
Less : Closing Stock	11,86,20,981	6,53,02,707
	16,04,49,746	12,14,37,041
Labour Charges	32,70,979	37,79,741
APMC Fees	3,07,173	1,38,075
Electricity Charges	11,06,802	9,29,797
Transportation Charges	3,27,772	85,500
Grinding Charges	12,75,875	15,63,216
Storage Charges	27,57,072	12,78,956
	(A) 16,94,95,419	12,92,12,326
<u>Packing Materials Consumed</u>		
Opening Stock	57,45,749	41,90,498
Purchases	54,58,910	58,81,805
	1,12,04,659	1,00,72,303
Less : Closing Stock	67,40,808	57,45,749
	(B) 44,63,851	43,26,554
Total Materials Consumed (A + B)	17,39,59,270	13,35,38,880
<u>NOTE 21 : EMPLOYEE BENEFIT EXPENSES</u>		
Salaries, Wages & Allowances	1,89,02,185	1,60,79,977
Bonus	9,69,665	7,33,571
Contribution to Staff Welfare Funds	6,36,697	6,23,828
Staff Welfare Expenses	9,01,063	7,05,258
Gratuity	3,23,789	1,89,083
Leave Encashment	1,57,743	78,750
Recruitment Charges	99,960	2,08,395
	2,19,91,102	1,86,18,862
<u>NOTE 22 : FINANCE CHARGES</u>		
Bank Charges	6,634	5,18,377
Interest on Bank Overdraft	-	5,64,848
Interest on Delayed Payment - Suppliers	16,08,440	-
Interest Paid on Loans	6,75,406	1,84,914
Interest on Corporate Business Loan	29,70,618	18,81,112
Other Finance Charges	2,82,297	2,39,700
	55,43,395	33,88,951



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH,

2024

	<u>Period Ended</u> <u>21st March'24</u> <u>Amount (Rs.)</u>	<u>Year Ended</u> <u>31st March'23</u> <u>Amount (Rs.)</u>
<u>NOTE 23 : OTHER EXPENSES</u>		
Professional Fees	15,27,103	19,61,960
Tax Audit Fees	2,50,000	2,50,000
Advertisement	8,04,099	5,59,626
Bad Debts	14,17,972	-
Certification & Documentation Charges	2,89,293	3,64,437
Clearing & Handling Charges	7,49,407	2,52,953
Communication Costs	1,81,999	1,51,025
Commission	2,30,875	10,22,823
Consultancy Fees	3,18,440	-
Delivery Expenses	17,46,042	25,33,256
Export Freight & Transportation	11,47,342	15,40,540
Insurance	3,41,693	2,48,901
Selling Overheads	3,25,053	3,63,878
Miscellaneous Expenses	14,67,281	7,31,533
Printing & Stationery	3,79,681	5,46,293
Rent	1,10,29,626	83,01,696
Repairs & Maintenance	7,12,111	24,88,445
Security Charges	3,36,150	3,36,000
Travelling & Conveyance	21,56,858	16,18,214
	<u>2,54,11,025</u>	<u>2,32,71,580</u>



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

	<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>
	<u>Period Ended</u>	<u>Year Ended</u>
	<u>21st March'24</u>	<u>31st March'23</u>
24 Details of Dues to Micro Enterprises Small & Medium Enterprises :		
Trade Payable include :		
i) total outstanding dues of micro, small and medium enterprises	1,92,36,842	2,31,85,773.00
ii) total outstanding dues of creditors other than micro, small and medium enterprises	4,72,99,461	46,71,308
Other Liabilities include :		
i) total outstanding dues of micro ,small and medium enterprises	Nil	Nil
ii) total outstanding dues of creditors other than micro , small and medium enterprises	9,51,864	7,27,788
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year :		
i) Principal Amount	Nil	Nil
ii) Interest thereon	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	20,00,000	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises , on the basis of information available with the Firm.		
25 The Balances of Trade Receivables and Trade Payables and loans & advances are subject to confirmations and reconciliation, if any.		
26 No amount has been charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable value.		
27 Related Party Disclosures as required by Indian Accounting Standard 24 is given in Annexure C		



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

28 EMPLOYEE BENEFITS

(a) Retirement Benefits

As per Ind AS 19 the firm has recognized "Employees Benefits", in the financial statements in respect of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2023. The recognition in the Statement of Profit & Loss and Balance Sheet are made proportionately upto 21st March, 2024 based on the said Actuarial Valuation.

(A) Defined benefit plans

i Retiring Gratuity

I Expenses Recognized in the Statement of Profit or Loss for Current Period

Particulars	21st March'24	31st March'23
Current Service Cost	2,80,039	1,69,876
Past Service Cost vested	-	-
Interest Cost	43,725	19,207
Expected Return on Plan Assets	-	-
Actuarial (Gain) / Loss	-	-
Total Expenses/(Gain) recognized in the Profit & Loss Account	3,23,764	1,89,083

II Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

Particulars	21st March'24	31st March'23
Actuarial (Gains)/Losses on Obligation For the Period	78,943	1,34,385
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	78,943	1,34,385

III Net Asset/ (Liability) recognized in Balance Sheet

Particulars	21st March'24	31st March'23
Present value of Funded Obligation	(10,02,164)	(5,99,432)
Fair Value of Plan Assets	-	-
Funded Status (Surplus/ (Deficit))	(10,02,164)	(5,99,432)
Assets/(Liability) recognized in the Balance Sheet	(10,02,164)	(5,99,432)

IV Change in Defined Benefit Obligations (DBO)

Particulars	21st March'24	31st March'23
Opening Balance of Present Value of Obligation	5,99,432	2,75,964
Interest Cost	43,725	19,207
Current Service Cost	2,80,039	1,69,876
Past Service Cost - Vested Benefits	-	-
Actuarial (Gain)/Losses on Obligations - due to change in demographic assumptions	-	-
Actuarial (Gain)/Losses on Obligations - due to change in financial assumptions	25,013	(33,684)
Actuarial (Gain)/Losses on Obligations - due to experience	53,924	1,68,069
Closing Balance of Present Value of Obligation	10,02,133	5,99,432



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

V Changes in the Fair Value of Plan Assets

Particulars	21st March'24	31st March'23
Opening Balance of Present Value of Obligation	-	-
Expected Return on Plan Assets	-	-
Interest Income	-	-
Contribution by Employer	-	-
Benefit Paid	-	-
Fair Value of Plan Assets as at 31st March	-	-

VI Actuarial Assumption

Particulars	21st March'24	31st March'23
Discount Rate (Per Annum)	7.23%	7.50%
Annual Increase in Salary Costs Per Annum	6.00%	6.00%
Employee Turnover Rate	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

VII Major Categories of plan assets as a percentage of total plan assets

Particulars	21st March'24	31st March'23
Government of India Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Insurance Company	-	-

VIII Movement in net liability recognized in Balance Sheet

Particulars	21st March'24	31st March'23
Net Opening Liability	5,99,432	2,75,964
Expenses Recognized in Statement of Profit or Loss	3,23,764	1,89,083
Contribution paid	-	-
Expenses Recognized in OCI	78,937	1,34,385
Closing Net Liability	10,02,133	5,99,432

IX Maturity Analysis of the Benefit Payments

Projected Benefits Payable in Future Years From the Date of Reporting	21st March'24	31st March'23
1st Following Year	14,651	3,601
2nd Following Year	22,671	10,516
3rd Following Year	60,673	15,246
4th Following Year	1,13,297	45,073
5th Following Year	63,679	71,238
Sum of Years 6 To 10	3,49,383	2,26,009
Sum of Years 11 and above	17,35,700	11,20,198



KUSUM SPICES

NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH, 2024

X Sensitivity Analysis	21st March'24	31st March'23
Projected Benefit Obligation on Current Assumptions	10,02,133	5,99,432
Delta Effect of +1% Change in Rate of Discounting	(90,434)	(55,743)
Delta Effect of -1% Change in Rate of Discounting	1,04,755	64,623
Delta Effect of +1% Change in Rate of Salary Increase	1,04,998	64,948
Delta Effect of -1% Change in Rate of Salary Increase	(92,218)	(56,975)
Delta Effect of +1% Change in Rate of Employee Turnover	(2,321)	(5,889)
Delta Effect of -1% Change in Rate of Employee Turnover	1,255	5,147

(B) Defined Contribution Plans

Amount recognised as expenses on account of "Contribution / Provision to and for Provident and other Funds" of Statement of Profit and Loss - Rs. 6,20,813/- (Previous year Rs.6,23,828/-)

29 Figures for the previous year have been regrouped, recast and rearranged wherever considered necessary to conform to the layout of accounts of the current year.

For KUSUM SPICES



**Moloy Saha
(Partner)**

For Foods & Inns Ltd.

**Milan Dalal - Director
(Partner)**

Place : Mumbai
Date : 02 May, 2024

KUSUM SPICES

ANNEXURE "A" AS REFERRED TO IN NOTE NO. 5 OF NOTES TO IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH 2024

Trade Receivables Ageing Schedule

Amount (Rs.) _____

Current Year (Period Ended 21st Mar' 2024)

Particulars	Outstanding for periods from due date of payment				Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	
Undisputed Trade Receivables					
(i) Considered Good	2,10,60,605	38,81,380	34,79,434	7,39,538	3,82,405
(ii) Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables					
(iii) Considered Good	-	-	-	-	-
(iv) Considered Doubtful	-	-	-	-	-

Previous Year (Year Ended 31st Mar' 2023)

Particulars	Outstanding for periods from due date of payment				Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	
Undisputed Trade Receivables					
(i) Considered Good	1,41,54,950	6,69,985	7,87,155	-	-
(ii) Considered Doubtful	-	-	-	-	-
Disputed Trade Receivables					
(iii) Considered Good	-	-	-	-	-
(iv) Considered Doubtful	-	-	-	-	-



KUSUM SPICES

ANNEXURE "B" AS REFERRED TO IN NOTE NO. 12 OF NOTES TO IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH 2024

Trade Payables Ageing Schedule

Amount (Rs.)

Particulars	Not Due	Outstanding for periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	1,92,36,842	-	-	-	1,92,36,842
(ii) Others	-	4,72,99,461	-	-	-	4,72,99,461
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Previous Year (Year Ended 31st Mar' 2023)

Particulars	Not Due	Outstanding for periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	75,85,698	1,55,70,117	-	-	-	2,31,55,815
(ii) Others	26,24,492	20,44,582	32,192	-	-	47,01,266
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-



KUSUM SPICES

ANNEXURE "C" AS REFERRED TO IN NOTE NO. 26 OF NOTES TO IND AS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 21ST MARCH 2024

Related Party Disclosure

A Related Party & their Relationship

a) **Key Management Person Relationship**

Foods & Inns Ltd. Partner
Moloy Saha Partner

b) **Relative of key management personnel and their enterprises where transaction have taken place**

- (i) Western Press Pvt. Ltd.
(ii) Triveni Global Services
(ii) Milan Dalal
(ii) Bhupendra Dalal

B Transactions with the related parties

(does not include the transactions entered with the parties after they ceased to be related) Amount(Rs.)

Particulars	For Period Ended on 21st Mar' 2024			For Year Ended on 31st Mar' 2023		
	Key Managerial Personnel	Others	Total	Key Managerial Personnel	Others	Total
Capital Introduced (net)	4,50,00,000	-	4,50,00,000	2,02,37,019	-	2,02,37,019
Sales **	37,48,730	32,063	37,80,793	13,42,849	-	13,42,849
Storage Charges **	13,44,828	-	13,44,828	8,85,000	-	8,85,000
Purchases	1,28,703	-	1,28,703	7,080	-	7,080
Storage Charges	-	-	-	4,77,306	-	4,77,306
Purchases	-	-	-	14,580	-	14,580
Delivery Expenses	32,930	-	32,930	-	-	-
Miscellaneous Expenses	8,610	-	8,610	2,859	-	2,859
Electricity Charges	4,77,306	-	4,77,306	1,41,755	-	1,41,755
Printing & Stationary	14,580	-	14,580	3,09,560	-	3,09,560
Communication Costs	2,859	-	2,859	24,036	-	24,036
Recruitment Charges	1,41,755	-	1,41,755	10,28,420	-	10,28,420
Professional Fees	3,09,560	-	3,09,560	84,501	-	84,501
Travelling & Conveyance	24,036	-	24,036	32,930	-	32,930
Labour Charges	10,28,420	-	10,28,420	3,468	-	3,468
Water Charges	10,443	-	10,443	-	-	-
Write off	-	48,620	48,620	-	-	-
Repairs & Maintenance	84,501	-	84,501	45,22,000	-	45,22,000

** Includes applicable taxes

C Balance as at the year end	For Period Ended on 21st Mar' 2024			For Year Ended on 31st Mar' 2024		
	Key Managerial Personnel	Others	Total	Key Managerial Personnel	Others	Total
Partners Capital	10,00,000	-	10,00,000	7,65,26,779	-	7,65,26,779
Advances Recoverable	-	4,38,963	4,38,963	-	4,38,963	4,38,963
Security Deposit Given	18,00,000	-	-	15,49,230	-	-
Trade Payables	97,99,249	-	97,99,249	-	-	-
Loan Account	11,31,46,000	-	-	-	-	-
Trade Receivables	76,95,313	-	76,95,313	-	-	22,10,994

Note : Reimbursement of expenses in normal course of business have not been included herein above



KUSUM SPICES

Partners' Fixed Capital Accounts from 01.04.2023 to 21.03.2024

		<u>Foods and Inns Ltd.</u>	<u>Amount (Rs.)</u>
Other Comprehensive Income	51,352	Balance b/d	6,88,28,938
Foods and Inns Ltd. - Loan A/c	11,39,04,634	Capital Introduced (Net)	4,50,00,000
		Share of Profit	11,26,948
Balance c/f	9,99,900		
	<u>11,49,55,886</u>		<u>11,49,55,886</u>

		<u>Moloy Saha</u>	
Other Comprehensive Income	5	Balance b/d	5,822
		Share of Profit	113
Moloy Saha - Loan A/c	5,830		
Balance C/f	100		
	<u>5,935</u>		<u>5,935</u>

