



सत्यमेव जयते

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I) KERALA,
THIRUVANANTHAPURAM**


**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF KERALA AQUA VENTURES INTERNATIONAL LIMITED, ALUVA
FOR THE YEAR ENDED 31 MARCH 2018.**

The preparation of financial statements of Kerala Aqua Ventures International Limited, Aluva for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **18 October 2021**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of Kerala Aqua Ventures International Limited, Aluva for the year ended 31 March 2018 under section 143(6)(a) of the Act.

*For and on behalf of
the Comptroller and Auditor General of India*

Thiruvananthapuram
Dated: 10.01.2022


ANIM CHERIAN
PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I),
KERALA

KERALA AQUA VENTURES INTERNATIONAL LTD
CIN(U05000KL2007SGC021510)
 East Kadungallor, Aluva
 Ernakulam

BALANSHEET AS AT 31st MARCH, 2018

	Note No.	As at 31.03.2018 (In Rupees)	As at 31.03.2017 (In Rupees)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	39,300,000.00	39,300,000.00
(b) Reserves and Surplus	2	(5,234,917.52)	(2,411,575.00)
(2) Share Application Money pending Allotment	3	600,000.00	600,000.00
(3) Non Current Liabilities			
(a) Long Term borrowings	4	11,633,384.00	11,633,384.00
(b) Other Long Term Liabilities	5	17,478,515.00	429,470.00
(4) Current Liabilities			
(a) Trade Payables	6	30,882.00	5,871.00
(b) Other Current Liabilities	7	16,104,064.00	16,436,053.00
(c) Short- Term Provisions	8	491,713.00	461,788.00
Total		80,403,640.48	66,454,991.00
II. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	9	58,344,051.00	60,965,779.00
(ii) Intangible Assets	10	7,210.00	19,569.00
(b) Long term Loans & Advances	11	3,669,957.00	159,957.00
(2) Current Assets			
(a) Trade Receivables	12	1,032,234.00	1,055,622.00
(b) Cash and Cash Equivalent	13	15,966,668.48	623,526.00
(c) Short -Term Loans and Advances	14	1,279,415.00	3,527,293.00
(d) Other Current Assets	15	104,105.00	103,245.00
Total		80,403,640.48	66,454,991.00

As per our report even date attached

For and on behalf of the Board of Directors

For M/s Mohan Kumar & Co
Chartered Accountants
Firm No.0021206

MANAGING DIRECTOR
 KERALA AQUA VENTURES INTERNATIONAL LTD (KAVIL)
 EAST KAKUNGALLOOR
 ALUVA - 683102

Place: Aluva
 Date: 18.10.2021

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G. Mohan Kumar, FCA
(Partner)
M No. 022027

UDIN : 21022027AAAACP 8934

KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

Particulars	Note No.	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
I. Revenue			
Revenue from Operations	16	104,660.00	417,494.00
Other Income	17	3,104,354.90	145,824.24
II. Total Revenue		3,209,014.90	563,318.24
III. Expense:			
Purchases	18	69,219.00	292,888.00
Employee Benefit Expenses	19	1,774,039.00	2,173,186.00
Finance Cost	20	3,206.00	3,000.58
Depreciation & Amortisation Expense		2,634,087.00	3,236,852.96
Other Expense	21	1,414,541.42	1,430,551.70
IV. Total Expense		5,895,092.42	7,136,479.24
V. Profit/(Loss) before Exceptional and Extraordinary item and tax		(2,686,077.52)	(6,573,161.00)
Exceptional Item			
Profit/(Loss) before Extra ordinary item and tax		(2,686,077.52)	(6,573,161.00)
Extra Ordinary Item	22	137,265.00	(655,000.00)
Profit/(Loss) before Tax		(2,823,342.52)	(5,918,161.00)
VI. Tax Expense:			
(1) Current Tax		-	-
(2) Deferred tax		-	-
VII. Profit / (Loss) for the period (V-VI)		(2,823,342.52)	(5,918,161.00)
VIII. Earning per Equity Share:			
(1) Basic		(7.18)	(15.06)
(2) Diluted		-	-

As per our report even date attached

For and on behalf of the Board of Directors

MANAGING DIRECTOR

KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)

EAST KAKUNGALLOOR

ALUVA - 683102

Place: Aluva

Date: 18.10.2021



For M/s Mohan Kumar & Co

Chartered Accountants

Firm No. 002120S

G. Mohan Kumar, FCA

(Partner)

M No. 022027

CIDIN : 21022027 AAAACP 8934

KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, AluvaErnakulamCASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

No	Particulars	2017-18 (In Rupees)	2016-17 (In Rupees)
1	Cash from Operating Activity		
	Net profit before tax	(2,823,342.52)	(5,918,161.00)
	Adjustments for:		
	Depreciation	2,634,087.00	3,236,852.96
	Grant Received	(2,950,955.00)	-
	Round Off	-	(0.30)
	Finance Cost	3,206.00	3,000.58
	Interest Received	(3,108.90)	(113,189.24)
	Operating Profit/(Loss) Before Working Capital Changes	(3,140,113.42)	(2,791,497.00)
	Decrease in Current Assets	2,271,266.00	1,583,263.00
	Increase in Current Assets	(860.00)	(9,860.00)
	Increase in Current Liability	29,925.00	-
	Decrease in Current Liability	(306,978.00)	(5,235,880.00)
	Cash Generated from Operations	(1,146,760.42)	(6,453,974.00)
	Tax Paid	-	-
	CASH GENERATED FROM OPERATING ACTIVITIES (A)	(1,146,760.42)	(6,453,974.00)
2	Cash from Investing Activity		
	Purchase of Fixed Assets	-	-
	Increase in Long Term Loans and advances	(3,510,000.00)	-
	Interest Received	3,108.90	113,189.24
	CASH GENERATED FROM INVESTING ACTIVITIES (B)	(3,506,891.10)	113,189.24
3	Cash from Financing Activity		
	Government Grant Received	20,000,000.00	-
	Finance Cost	(3,206.00)	(3,000.58)
	CASH GENERATED FROM FINANCING ACTIVITY (C)	19,996,794.00	(3,000.58)
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT	15,343,142.48	(6,343,785.00)
	Opening Cash & Cash Equivalents	623,526.00	6,967,311.00
	Closing Cash & Cash Equivalents	15,966,668.48	623,526.00



	2017-18 (In Rupees)	2016-17 (In Rupees)
Closing cash and equivalents:	20,881.00	11,086.00
Cash balance	15,945,787.48	428,113.90
Balances in current account with Banks	-	184,326.10
Other Deposits	15,966,668.48	623,526.00

As per our report even date attached

For and on behalf of the Board of Directors

For M/s Mohan Kumar & Co
Chartered Accountants
Firm No.002120S

[Signature]
18.10.21
MANAGING DIRECTOR
KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)
EAST KAKUNGILOOR
ALUVA - 683102



[Signature]
G. Mohan Kumar, FCA
(Partner)
M No. 022027

Place: ALUVA
Date: 18.10.2021

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KERALA AQUA VENTURES INTERNATIONAL LTD
CIN(U05000KL2007SGC021510)
 East Kadungallor, Aluva
 Ernakulam

NOTES FORMING PART OF BALANCE SHEET AS ON 31.03.2018

NOTE -1 SHARE CAPITAL

Particulars	No. of Shares	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
SHAREHOLDERS FUNDS			
SHARE CAPITAL			
(a) Authorised Equity Share Capital Equity Shares of Rs.100/- each	600,000	60,000,000.00	60,000,000.00
	600,000	60,000,000.00	60,000,000.00
(b) Issued, Subscribed and Paid up Equity Shares of Rs.100/- each fully paid up-	393,000	39,300,000.00	39,300,000.00
	393,000	39,300,000.00	39,300,000.00
Particulars			
	No. of Shares	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
(c) Equity Shares	393,000	39,300,000.00	39,300,000.00
Shares Outstanding as on 01.04.2017	-	-	-
Shares issued during the period	-	-	-
Shares Brought back during the period	-	-	-
Shares Outstanding as on 31.03.2018	393,000	39,300,000.00	39,300,000.00
(d) Shares held by each shareholder holding more than 5% shares			
M/s FAB Ornamental Fish Farming Pvt Ltd-9%	35000	3,500,000	3,500,000
M/s MatsyaFed-5%	20000	2,000,000	2,000,000
M/s MatsyaFed-5%	20000	2,000,000	2,000,000
Nizar Younus-5%	20000	2,000,000	2,000,000
Sunish George-5%	20000	2,000,000	2,000,000
NP Kuttikrishnan Nair-5%	19000	1,900,000	1,900,000
Simon Varghese-5%	199000	19,900,000	19,900,000
Governor of Kerala-51%	20000	2,000,000	2,000,000
Kerala State Industrial Development Corporation Limited-5%	20000	2,000,000	2,000,000
Joseph PT-5%	20000	2,000,000	2,000,000

(e) **Rights attached to equity shares**

The Company has issued only one class of equity shares having a facevalue of Rs.100 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after settling the dues of preferential and other creditors as per priority. The distribution will be in proportion to the number of equity shares held by the shareholders



KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

NOTES FORMING PART OF BALANCE SHEET AS ON 31.03.2018**NOTE - 2 Reserves & Surplus**

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Capital Reserves	67,619,422.00	67,619,422.00
Surplus balance in the Profit and Loss Account		
Opening Balance	(70,030,997.00)	(64,112,836.00)
Profit and Loss Account	(2,823,342.52)	(5,918,161.00)
	(72,854,339.52)	(70,030,997.00)
Less : Dividend	-	-
	(5,234,917.52)	(2,411,575.00)

NOTE - 3 Share Application Money Pending Allotment

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Share application money received from AFCOF	500,000.00	500,000.00
Share application money received from Benofish	100,000.00	100,000.00
	600,000.00	600,000.00

NOTE - 4 Long term Borrowings

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Loan from KSCADC	10,000,000.00	10,000,000.00
Interest free deposit from KSIDC	1,633,384.00	1,633,384.00
	11,633,384.00	11,633,384.00

Deposit from Kerala State Industrial Development Corporation(KSIDC) carries nil rate of interest and it is refundable.

NOTE - 5 Other Long Term Liabilities

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Lease Liability	429,470.00	429,470.00
Deferred Grant	17,049,045.00	-
	17,478,515.00	429,470.00

1.Land has been acquired under a lease agreement entered into on 17.08.2009 to 16.08.2039 for 30 years. The lease rent comes to Rs.38,644/- pa.

2.Grant of Rs.2,00,00,000 has been received from Fisherires & Ports Department as per G.O(Rt) No.600/2017/F&PD towards the smooth functioning and operations of company. Amount expended for meeting administrative and other expenses out of the grant were 29,50,955 and the same is recognised as income in Profit and Loss account. Balance amount Rs.1,70,49,045 shown under Deferred Grant A/c.

NOTE 6 Trade Payables

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Purchase from Homestead Units	4,970.00	5,871.00
Matsyafed	25,912.00	-
	30,882.00	5,871.00



Purchase of fish net Rs.9300 made during the FY 2014-15 and purchase of Fish cage Rs.20000 during the FY 2015-16 from Matysafed in connection with implementation of RKVY project at Neyyar for which no entry were passed during the respective years, adjusted in the current year vide Resolution No.535/42/2021

NOTE 7 Other Current Liabilities

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
<u>Advance from Customers:</u>		
Barbel Aqua	605.00	605.00
Calicut Aqua Gallery	215.00	215.00
Global Fish Farm	2,210.00	2,210.00
Mr. Biju Nattemel Delhi	81.00	81.00
Ocean World Hyderabad	64.00	64.00
Rygid Aquarist	172.00	172.00
Samar for Fish Aquariums	4,299.00	4,299.00
Samrithi Aquatic	93.00	93.00
Secy. Block Panchayath Kanjikuzhi	74,074.00	74,074.00
Shree Yashas Aquariums	64.00	64.00
V R Farm	1,971.00	1,971.00
Advance received from Fisheries Dept. for Malampuzha Project	49,000.00	49,000.00
FFDA-Karapuzha works	-	3,80,920.00
NFDB Fund Training Expenses	5,48,023.00	5,48,023.00
Subsidy received from Fisheries Department	1,35,50,000.00	1,36,52,600.00
Retension amount - Aquapark Neyyar	18,94,199.00	18,94,199.00
FIRMA	(21,235.00)	(1,72,766.00)
CPU No.1	229.00	229.00
	1,61,04,064.00	1,64,36,053.00

1. Advance from Customers is the unsettled amount with the parties towards supply of fish and outstanding for more than one year

2. Advance Malampuzha is the amount received for supply of fish Rs.29000 and for supply of equipment Rs.20000. The amount remains unsettled.

3. The company had entered into an agreement with FFDA for the construction of an aquarium at Karapuzha for an estimated cost of Rs.28,20,000. The amount received from FFDA was Rs. 29,68,920 and the expense incurred for the project were Rs. 29,29,000. Work completed during the year and profit on work Rs.39,920 recognised in profit and loss account

4. Balance in Fisheries Resource Management Society (FIRMA) A/c is adjusted vide Resolution No.535/42/2021 for prior period corrections that were omitted to account or accounted incorrectly in previous years

NOTE -8 Short - Term Provisions

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Lease rent payable	38,664.00	-
Salaries & Wages Payable	1,42,095.00	1,77,394.00
Professional charges payable	9,000.00	26,700.00
Security Charges Payable	60,840.00	51,480.00
Service Tax Payable	-	3,900.00
Auditors Remuneration Payable:		
FY 2017-18		
For Audit	35,000.00	-
For Other Services	40,000.00	-

FY 2016-17	50,000.00	50,000.00
FY 2015-16	50,000.00	50,000.00
FY 2014-15	50,000.00	50,000.00
FY 2013-14	-	35,000.00
Internal Audit Fee Payable	14,854.00	14,854.00
TDS Payable	1,260.00	2,460.00
	4,91,713.00	4,61,788.00

NOTE 11 Long Term Loans and Advances

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Advance for Capital Construction	35,00,000.00	-
Advance Neyyar	10,000.00	-
Security Deposit with KSEB	70,000.00	70,000.00
Electricity Deposit	85,418.00	85,418.00
Telephone Deposit	4,539.00	4,539.00
	36,69,957.00	1,59,957.00

Advance for Capital Construction consists of advance given for the electrification works at Neyyar Project site Rs 20,00,000 and given to Mr.Felix Simon, one of the share holders of the company and Rs.15,00,000 to Mr.Simon Varghese (Director till 12-01-2012) during the earlier years has not either commenced the work / repaid the amount till the date.

NOTE 12 Trade Receivables

Particulars	As at 31-03-2018	As at 31-03-2017 (In Rupees)
<u>Outstanding more than 6 months</u>		
<u>Unsecured Considered good</u>		
Anuva Aquatique	2,907.00	2,907.00
Gulmarg	426.00	426.00
India Gills	115.00	115.00
Mareena Pets	5.00	5.00
Marine Aquarium	25.00	25.00
Mathew M Danial	275.00	275.00
Mermaid Aquariums and Ponds	1,562.00	21,562.00
Ocen's	6.00	6.00
Prasob M Prem TVM	600.00	600.00
Surej MA	464.00	464.00
Malabar Aquarium	342.00	342.00
Aqua Art	1,414.00	-
Lovely Aqua Pets	2,390.00	-
<u>Doubtful</u>		
Amblard - France	1,76,810.00	1,76,810.00
Aquarium Lives	1,22,324.00	1,22,324.00
Aquarium World Hyderabad	13,176.00	13,176.00
ASC Smart Enterprise	1,689.00	1,689.00
Babe Aqua Culture	46.00	46.00
Felix Simon - USA	4,82,939.00	4,82,939.00
Marine E Aqua	72.00	72.00
Matsyafed	-	3,388.00



Mr. Shaji Bangalore	2,792.00	2,792.00
Neyyar Satellite Farm TVM	32,444.00	32,444.00
N P Kuttikrishnan Nair	41,444.00	41,444.00
Pet Land	2,748.00	2,748.00
Sali PVM Aquariums	938.00	938.00
SK Pets & Aquarium	370.00	370.00
Sunish George	454.00	454.00
Vineesh Kumar	54,155.00	54,155.00
Wonderland Fish	89,302.00	89,302.00
<u>Outstanding for less than six months</u>		
<u>Unsecured considered good</u>		
Aqua Art	-	1,414.00
Lovely Aqua Pets	-	2,390.00
	1,032,234.00	1,055,622.00

NOTE 13 Cash and Cash Equivalents

Particulars		As at 31-03-2017 (In Rupees)
Cash in Hand	20,881.00	2,052.00
Imprest Cash	-	9,034.00
<u>Balance with Banks</u>		
Canara Bank - CA A/c No. 1981201000221	23,295.48	23,295.48
Canara Bank - CA A/c No. 1981201000272	17,891.00	17,891.00
Canara Bank - CA A/c No. 1981201000269	15,904,601.00	367,131.00
SBT Udyogmandal-CA A/c No. 67080788135	-	19,796.42
<u>Other Deposits</u>		
Fixed Deposit with Canara Bank A/c No.1981401000243	-	184,326.10
	15,966,668.48	623,526.00

NOTE - 14 Short Term Loans and Advances

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
Advance for Renovation	1,259,200.00	-
Advance for Capital Construction	-	3,500,000.00
Advance Neyyar	-	10,000.00
Other Advances	4,500.00	4,500.00
Prepaid Expenses	15,715.00	12,793.00
	1,279,415.00	3,527,293.00

An agreement was entered with KSCADC on 06.03.2018 for the project 'Renovation of KAVIL' during the year. The contract amount was Rs.62,96,000 out of which 12,59,200 being 20% of contract amount released during the year out of the grant received

NOTE - 15 Other Current Assets

Particulars	As at 31-03-2018 (In Rupees)	As at 31-03-2017 (In Rupees)
TDS FY 2011-12	28,369.00	28,369.00
TDS FY 2012-13	781.00	781.00
TDS FY 2013-14	825.00	825.00
TDS FY 2014-15	14,867.00	14,867.00



TDS FY 2015-16
TDS FY 2016-17
TDS FY 2017-18

48,543.00	48,543.00
9,860.00	9,860.00
860.00	-
104,105.00	103,245.00



KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

NOTE-16 Revenue from Operation

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Sale of Fish -Domestic	87,928.00	411,637.00
Sale of Feed	495.00	3,709.00
Sale of Fish Seed	16,237.00	2,148.00
	104,660.00	417,494.00

NOTE-17 Other Income

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Grant Received	2,950,955.00	-
Interest income on Bank Fixed Deposit	3,108.90	113,189.24
Insurance Refund	27,299.00	-
Legal fee Return	102,062.00	-
Miscellaneous Income	20,930.00	27,892.00
Unclaimed Receipts	-	4,743.00
	3,104,354.90	145,824.24

1. Fisheries & Ports(B) Department as per G.O. No.600/2017/F&PD released to 2,00,00,000 to KAVIL during the year. This fund were sanctioned for the smooth operation and functioning of company. An amount of Rs.29,50,955 were utilised for meeting administrative and other expenses of the company and to that extent it is recognised as income during the year

2. Insurance refund consist of insurance premium of FY 2015-16 Rs.14617 and FY.2016-17 Rs.12682 reimbursed from Fisheries Dept. for using the vehicle owned by KAVIL KL.01.AX.8826 by Fisheries Department Principal Secretary for office purposes.

3. Legal fee return represent the court fee reimbursed to KAVIL. It has been decreed to reimburse the court fee incurred by KAVIL for O.S. No.134/2014. Amount were received on 21.04.2017

NOTE-18 Purchase

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Purchase of Ornamental Fish	59,980.00	274,021.00
Purchase Fish Feed	700.00	8,580.00
Purchase Packing Materials	8,539.00	10,287.00
	69,219.00	292,888.00



NOTE-19 Employee Benefit Expenses

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Salary, Wages and Bonus	17,74,039.00	21,73,186.00
	17,74,039.00	21,73,186.00

NOTE-20 Finance Cost

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Bank Charges	3,206.00	3,000.58
	3,206.00	3,000.58

NOTE - 21 Other Expenses

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Auditors Remuneration :		
- For Audit	35,000.00	35,000.00
- For Other Services	40,000.00	15,000.00
Advertisement	-	15,240.00
Conveyance	2,060.00	4,009.00
Cooly	27,550.00	9,380.00
Consumables	-	1,272.00
Business Promotion Expenses	2,56,000.00	-
Electricity Charges	67,908.00	1,65,661.00
Festival Allowance	22,990.00	-
Frieght Charges	-	5,814.00
Filing Fees	-	10,700.00
Fish Medicines	632.00	1,046.00
Fuel Vehicle	2,300.00	2,550.00
Fuel & Gas	-	2,000.00
Insurance Premium	-	12,682.00
Internet Charges	18,494.00	16,213.00
Interest on Lease	-	10,674.00
Lab Expenses	2,198.00	9,792.00
Lease to Government	46,107.00	38,664.00
Membership Fee	7,375.00	7,187.00
Miscellaneous Expenses	7,263.00	20,499.00
Mortality Loss	8,489.00	35,486.00
Office Expense	18,315.00	19,660.00
Office Stationery	4,199.00	10,172.00
Legal Fee and Expenses	1,87,880.00	3,22,880.00
Professional Charges	1,27,000.00	2,25,450.00
Professional Tax	6,000.00	16,200.00
Profit on FFDA- Karapuzha works	(39,920.00)	-
Postage & Courier	2,495.00	2,625.00
Printing & Stationery	2,650.00	6,844.00
Rates & Fees	1,56,971.00	1,646.00



Repair & Maintenance	12,015.00	51,504.00
Round Off	(0.58)	(0.30)
Security Charges	370,500.00	329,050.00
Telephone Charges	7,670.00	8,972.00
Transportation Charges	850.00	14,402.00
Staff Travelling Expense	13,551.00	2,278.00
	1,414,541.42	1,430,551.70

Lease to Government include lease amount for current year 2017-18 Rs. 38,664 and lease amount recovered for the previous year 2016-17 Rs.7443

NOTE - 22 Extra Ordinary Item

Particulars	For the year ended 31.03.2018 (In Rupees)	For the year ended 31.03.2017 (In Rupees)
Subsidy- training to be utilised in 2014-15, kept as advance brought to revenue	-	(655,000.00)
Prior period expense	137,265.00	(655,000.00)
	137,265.00	(655,000.00)

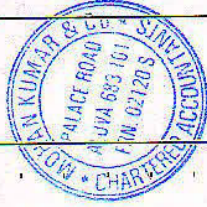
Note for prior period expense Rs.1,37,265 given in Notes to Accounts Note No. 2



NOTE- 9 Tangible Assets

SCHEDULE OF FIXED ASSET AS ON 31ST MARCH 2018 AS PER COMPANIES ACT, 2013

Sl. No.	PARTICULARS	GROSS BLOCK AS ON 01.04.2017		Additions during the year >6m.	Deletions during the year	Total as on 31.03.2018	Up to 31.03.2017		During the year		Up to 31.03.2018		AS ON 31.03.2018		AS ON 01.04.2017	
		Rs.	Ps.				Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
1	Land Leasehold improvements	20,000,000.00	-	-	-	20,000,000.00	-	-	-	-	-	-	20,000,000.00	20,000,000.00	-	-
2	Leasehold Land	429,515.31	-	-	-	429,515.31	-	-	-	-	-	-	429,515.00	429,515.00	-	-
3	Administration Blocks & Ferro Cement Tank	19,709,125.71	-	-	-	19,709,125.71	5,303,996.46	-	746,146.27	-	6,050,142.73	-	13,658,983.00	14,405,129.00	-	-
4	Air Conditioners	277,916.75	-	-	-	277,916.75	221,165.11	-	13,967.10	-	235,132.22	-	42,785.00	56,752.00	-	-
5	Antivirus Software	1,200.00	-	-	-	1,200.00	1,200.00	-	-	-	1,200.00	-	-	-	-	-
6	Aqua Hub	35,746,692.96	-	-	-	35,746,692.96	13,897,718.54	-	1,307,492.55	-	15,205,211.09	-	20,541,482.00	21,846,974.00	-	-
7	Blower	504,170.81	-	-	-	504,170.81	458,679.99	-	20,262.28	-	478,962.27	-	25,209.00	45,491.00	-	-
8	Book Shelves	28,821.45	-	-	-	28,821.45	24,402.73	-	1,366.57	-	25,769.30	-	3,062.00	4,419.00	-	-
9	Bore well	334,295.53	-	-	-	334,295.53	93,298.15	-	11,734.06	-	105,032.21	-	229,263.00	240,997.00	-	-
10	Cash Safe	8,788.51	-	-	-	8,788.51	7,446.01	-	411.02	-	7,857.03	-	931.00	1,342.00	-	-
11	Chairs	171,150.21	-	-	-	171,150.21	145,794.86	-	7,696.08	-	153,490.95	-	17,659.00	25,355.00	-	-
12	Computer	598,651.25	-	-	-	598,651.25	588,718.69	-	-	-	588,718.69	-	29,933.00	29,933.00	-	-
13	Cupboard	8,194.97	-	-	-	8,194.97	7,490.48	-	294.74	-	7,785.22	-	410.00	704.00	-	-
14	Cycle	15,552.90	-	-	-	15,552.90	13,190.82	-	663.95	-	13,854.77	-	1,698.00	2,362.00	-	-
15	Diesel Generator Set	580,199.41	-	-	-	580,199.41	363,086.43	-	38,100.91	-	421,197.34	-	159,002.00	197,103.00	-	-
16	Drier	15,000.00	-	-	-	15,000.00	9,716.45	-	1,030.32	-	10,746.77	-	4,253.00	5,284.00	-	-
17	Electrical Equipments	18,729.00	-	-	-	18,729.00	8,733.11	-	1,813.67	-	10,546.78	-	8,182.00	9,996.00	-	-
18	Electrification	4,195,125.81	-	-	-	4,195,125.81	2,057,830.36	-	167,845.95	-	2,225,676.31	-	1,969,449.00	2,137,295.00	-	-
19	Electronic Balance	15,896.83	-	-	-	15,896.83	11,678.63	-	1,006.93	-	12,685.56	-	3,211.00	4,218.00	-	-
20	Fan	3,900.00	-	-	-	3,900.00	3,528.81	-	178.19	-	3,706.00	-	195.00	373.00	-	-
21	Farm Equipments	202,138.16	-	-	-	202,138.16	170,844.92	-	9,663.21	-	180,508.13	-	21,630.00	31,293.00	-	-
22	Fax Machine	7,058.19	-	-	-	7,058.19	6,410.20	-	295.08	-	6,705.28	-	353.00	648.00	-	-
23	Fibre Glass Tank	3,109,244.87	-	-	-	3,109,244.87	2,656,384.24	-	143,247.05	-	2,799,631.29	-	310,614.00	453,861.00	-	-
24	Fish Aquarium & Accessories	186,121.16	-	-	-	186,121.16	169,617.75	-	7,197.34	-	176,815.10	-	9,306.00	16,503.00	-	-
25	Glass Tank	45,000.00	-	-	-	45,000.00	33,762.10	-	3,091.15	-	36,853.25	-	8,147.00	11,238.00	-	-
26	Lab Equipment	91,176.09	-	-	-	91,176.09	78,206.09	-	4,192.86	-	82,398.95	-	8,777.00	12,970.00	-	-
27	Oxygen Cylinder	46,237.37	-	-	-	46,237.37	33,886.79	-	2,648.12	-	36,534.92	-	9,702.00	12,351.00	-	-
28	PABX & Accessories	10,254.00	-	-	-	10,254.00	9,276.63	-	464.67	-	9,741.30	-	513.00	977.00	-	-
29	Pumpset	10,675.00	-	-	-	10,675.00	9,642.12	-	499.13	-	10,141.25	-	534.00	1,033.00	-	-



	10,675.00	-	10,675.00	9,642.12	499.13	10,141.25	534.00	1,033.00
29 Pumpset								
30 Quarantine	1,035,873.43	-	1,035,873.43	307,784.16	35,472.35	343,256.51	692,617.00	728,089.00
31 Security Cabin	175,000.00	-	175,000.00	157,114.22	9,135.78	166,250.00	8,750.00	17,886.00
32 Sofa	23,169.22	-	23,169.22	19,508.70	1,149.19	20,657.88	2,511.00	3,661.00
33 Stabilizer	107,296.74	-	107,296.74	77,415.49	6,173.64	83,589.13	23,710.00	29,863.00
34 Stool	169.56	-	169.56	154.70	6.38	161.08	8.00	15.00
35 Tables	133,796.79	-	133,796.79	117,727.78	5,497.92	123,225.71	10,571.00	16,069.00
36 UV Filter	233,727.90	-	233,727.90	211,863.12	10,178.38	222,041.51	11,686.00	21,865.00
37 Vehicles	1,370,064.78	-	1,370,064.78	1,261,211.96	38,714.19	1,299,926.16	70,139.00	108,863.00
38 Water Purifier	585,216.70	-	585,216.70	531,875.00	24,080.87	555,955.87	29,261.00	53,342.00
TOTAL	90,035,149.37	-	90,035,149.37	29,069,369.63	2,621,727.92	31,691,097.54	58,344,051.00	60,965,779.00

NOTE-10 Intangible Asset

Sl. No.	PARTICULARS	Period of Amortisation	GROSS BLOCK AS ON 01.04.2017		Additions during the year	Deletions during the year	Total as on 31.03.2018		AMORTISATION During the year		Up to 31.03.2018		NET BLOCK AS ON 01.04.2017	
			Rs.	Ps.			Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.
1	Website	4	199,438.00	-	-	-	199,438.00	179,868.79	12,359.50	192,228.29	7,210.00	19,569.00	7,210.00	19,569.00
	TOTAL		199,438.00	-	-	-	199,438.00	179,868.79	12,359.50	192,228.29	7,210.00	19,569.00	7,210.00	19,569.00



KERALA AQUA VENTURES INTERNATIONAL LTD
CIN(U05000KL2007SGC021510)

**East Kadungallor, Aluva
 Ernakulam**

DEPRECIATION ALLOWABLE U/S 32 READ WITH RULE 5(1) OF THE INCOME TAX ACT

Sl. No.	Description of Assets	W.D.V. as on 01.04.2017 Rs.	Additions during the year > 6m Rs.	Additions during the year < 6m Rs.	Deletions during the year Rs.	Gross Block as on 31.03.2018 Rs.	DEPRECIATION		Net Block as on 31.03.2018 Rs.
							Rate %	Amount Rs.	
1	Land	20,000,000.00	-	-	-	20,000,000.00	-	-	20,000,000.00
2	Lease hold Land	429,515.31	-	-	-	429,515.31	-	-	429,515.31
3	Furniture & Fittings	28,712,887.53	-	-	-	28,712,887.53	10	2,871,288.75	25,841,598.78
4	Computer & Accessories	757.70	-	-	-	757.70	40	303.08	454.62
5	Plant & Machinery	1,419,896.92	-	-	-	1,419,896.92	15	212,984.54	1,206,912.38
6	Building	2,542,741.07	-	-	-	2,542,741.07	10	254,274.11	2,288,466.96
		53,105,798.52	-	-	-	53,105,798.52		3,338,850.48	49,766,948.05



**KERALA AQUA VENTURES INTERNATIONAL LIMITED,
Aluva -683102**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. AS 1: Disclosure of accounting policies

Financial statements are prepared under the historical cost conventions on a going concern basis and in accordance with the applicable Accounting Standards and requirements of Companies Act, 2013. The presentation of financial statements in conformity with generally accepted accounting principles require estimates and assumptions to be made for arriving at certain figures such as future obligation under employees retirement benefit plan, taxes on income, provision for bad and doubtful debts and the realisable value of other assets and liabilities. Difference between the actuals and estimates are recognised in the period in which the results are known.

2. AS 2: Inventory Valuation

Stock of ornamental fish, seeds and feeds are NIL and valuation are done at net realisable / cost whichever is lower.

3. AS 9: Revenue Recognition

Price variation both favourable/unfavourable and other sales income are recognised when no significant uncertainty as to determination and realisation exists. Revenue in respect of sales is recognised when the invoices are raised.

4. AS 10: Property, Plant & Equipment

Fixed assets are stated at cost less accumulated depreciation.

The Company follows the method of charging depreciation as per the Companies Act, 2013. Depreciation is charged as per the useful life and the residual value prescribed under Schedule II of the Companies Act, 2013 as amended by Notification No. GSR 627(E) dated 29th August, 2014 and all subsequent Notifications/Amendments, for the full year. Depreciation of additions to assets or on sale, discarding, demolishing or destroying of assets are calculated pro-rata from the date of such addition or upto the date of sale, discarding, demolishing or destroying, as the case may be.

5. AS 13: Investments

Long term investments are stated at cost. Decline in value if any, which is not considered temporary in nature, is provided for.



6. AS 15: Employee Benefits

All employee benefits falling due wholly within 12 months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, the expected cost of bonus etc. are recognised in the period in which the employee renders the related service.

7. AS 16: Borrowing Costs

- i. Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use.
- ii. All other borrowing costs are recognised as expense in the period in which they are incurred.
- iii. Borrowing costs are neither recognised nor disclosed in the accounts.

8. AS 20: Earnings per share

Basic/diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares/dilutive potential equity shares outstanding at the end of the year as the case may be.

9. AS 22: Accounting for taxes on income

Current tax is determined as the tax payable in respect of taxable income for the period. Deferred tax assets is not recognised during the year since there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

10. AS 28: Impairment of assets

The Company makes an assessment on the balance sheet date to determine whether there is any indication of impairment in the carrying amount of the Company's fixed Assets. If any such indication exists, the recoverable amounts are estimated and an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

11. AS 29: Provisions for contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation as the result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is possible that a cash flow will not be required to settle the obligations. Contingent assets are neither recognised nor disclosed in the accounts



B) NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018

1. The company had received subsidy from Fisheries Department Rs.1,36,52,600 during the earlier years has been brought forward and the closing balance at the end of the year is Rs. 1,35,50,000. The difference between the opening and closing balance Rs.1,02,600 has been transferred to FIRMA A/c as per Resolution no.535/42/2021.
2. It is resolved to pass correction entries in the FY 2017-18 for transactions omitted to account or incorrectly accounted in the previous year's 2014-15 to 2016-17 vide Resolution No. 535/42/2021 and Resolution No.536/42/2021

Sl No.	Particulars	Nature of Adjustment	Amount	Effect on Loss 2014-15	Effect on Loss 2015-16	Effect on Loss 2016-17	Effect on Current Year loss
1	Being aquarium accessories purchased during 2015-16 by company for setting up Aquarium at Neyyar for ADAK, wrongly accounted as RKVY expense, corrected during the year	Correction	19,750.00	-	Decrease in Loss Rs.19750	-	Increase in Loss Rs.19750
2	Being wages of FY 2014-15 Rs.31390 & FY 2015-16 Rs.19780 and Salary for FY 2014-15 Rs.24750 incurred towards Neyyar project that were omitted to transfer to Neyyar A/c during respective years corrected during the current year.	Omission	(75,920.00)	Increase in Loss Rs.56140	Increase in Loss Rs.19780	-	Decrease in Loss Rs.75920
3	Wages for March 2016 Rs.37600 & Salary for March 2016 Rs.6250 incurred for Neyyar project already accounted for the year 2015-16 again accounted in FY 2016-17 now rectified	Correction	43,850.00	-	-	Decrease in Loss Rs.43850	Increase in Loss Rs.43850
4	Security charges Rs.1079 debited to RKVY A/c for FY 2015-16 is in excess and security charges for march 2016 amounting to 29490	Correction	30,549.00	-	Decrease in Loss	Decrease in Loss	Increase in Loss



	accounted for the year 2015-16 again accounted in 2016-17 ,now rectified				Rs.1079	Rs.29490	Rs.30549
5	Excess petty expense charged under RKVY A/c related to Neyyar project for FY 2014-15 Rs.22934 and for FY 2015-16 Rs.55 now rectified	Correction	22,989.00	Decrease in Loss Rs.22934	Decrease in Loss Rs.55	-	Increase in Loss Rs.22989
6	FIRMA has recovered Rs.8102 as petty expense from KAVIL during 2016-17 but actual petty expense was 1102. Petty expense 1102 not accounted for the corresponding year, accounted in the FY 2017-18	Omission	1,102.00	-	-	Decrease in Loss Rs.1102	Increase in Loss Rs.1102
	Imprest cash balance Rs.9034 were utilised in the FY 2015-16 for meeting petty expenses. But it was not accounted in the corresponding year. As per Resolution no.536/42/2021 dated 17.04.2021, it is resolved to incorporate correction entries in the FY 2017-18	Omission	9,034.00	Decrease in Loss Rs.9034	-	-	Increase in Loss Rs.9034
8	It was decided to refund Rs.7000 received by FIRMA to KAVIL in order to meet petty expenses. Entry for the respective expense were not made during the earlier year now brought to accounts	Omission	7,000.00	Decrease in Loss Rs.7000	-	-	Increase in Loss Rs.7000
9	sale proceeds of fish from RKVY Neyyar project Rs. 7947 for the year 2014-15 wrongly entered as Company sale now corrected	Correction	7,947.00	Decrease in Loss Rs.7947	-	-	Increase in Loss Rs.7947
10	FIRMA engaged Adv.S. Sudheesh Kumar as Standing Counsel of FIRMA and its associated organization including KAVIL. It was decided to reimburse half of the retainer fee incurred to FIRMA. But no entry passed for retainer fee recovered Rs.9000 during FY 2015-16. Correction entry passed during the current year	Omission	9,000.00	-	Decrease in Loss Rs.9000	-	Increase in Loss Rs.9000
	FIRMA invited e.tender for KAVIL for setting up Aquarium at Karapuzha for FFDA and received						



	Rs.17175 as cost of tender fee on behalf of KAVIL for the FY 2015-16. The same has not been entered during the previous year now brought to account	Omission	(17,175.00)	-	Increase in Loss Rs.17175	-	Decrease in Loss. Rs.17175
12	Expenditure related to Aqua show 2012 for Import of fish were reimbursed from FIRMA during FY 2013-14. Later Director of Fisheries decided that the expenditure should met by KAVIL. FIRMA issued proceeding for recovery on 04.02.2017, but not entered in books of accounts during FY 2016-17, entered during CY 2017-18	Omission	330,800.00	-	-	Decrease in Loss Rs.330800	Increase in Loss Rs.330800
13	Fish purchase of 2014-15 & 2015-16 for RKVY Project wrongly accounted as company purchase now corrected	Correction	(240,164.00)	Increase in Loss Rs.23164	Increase in Loss Rs.217000	-	Decrease in Loss Rs.240164
14	Fish feed purchase for Neyyar project Rs.11497 for FY 2014-15 & FY 2015-16, incorrectly accounted as company purchase now reversed	Correction	(11,497.00)	Increase in Loss Rs.5672	increase in Loss Rs.5825	-	Decrease in Loss Rs.11497

3. The Fixed deposit with Canara Bank A/c No.1981401000243 has been closed during the year and transferred the balance to Canara Bank CA A/c No.1981201000269

4. Report of pending legal/ arbitration cases

1. An amount of Rs.20,00,000 was paid to M/s Fab Ornamental Fish Farming PVT LTD during the year 2011-12 under RKVY scheme for the electrification, construction of overhead tanks and fencing whose managing director Felix Simon was also one among the shareholders of contractee company. The contractor company failed to execute the work. Hence O.S. No. 99/2016 was filed against the company on 12.04.2016 before Hon'ble Sub Court, Ernakulam. The Hon'ble Court decreed a sum of Rs. 30,19,177/- in favour of the contractee company including interest at the rate of 12% p.a. from date of suit till the date of realisation with cost. The decree was not honoured by the contractor company and hence execution petition No. EP 67/2019 in O.S. No. 99/2016 was filed before the Hon'ble Sub Court, Ernakulam on 15.02.2019. The case is still pending for disposal.



2. An amount of Rs.15,00,000 was paid in advance to Simon Varghese towards the electrification, construction of overhead tanks and fencing at Neyyar project during the year 2011-12 under RKVY Scheme. Simon Varghese was also a director of the company during the time of the contract was entered into. The contractor has not fulfilled the terms of the contract as per the explanation provided by the company. Hence O.S. No. 122/2016 was filed against him on 01.06.2016 before the Hon'ble Sub Court, Ernakulam for recovery of the advance amount. The Court dismissed the case as it became time barred and appeal petition has been filed before the Hon'ble High Court against the order of the Sub Court No. 435/2019. The same is pending for disposal.
3. The amount due from M/s Wonderland Fish, Manama, Beharin against the sale value of USD 1500 as per invoice dated 17.10.2013 has not been recovered due to fraudulent actions on the part of importer. Against this the company has filed suit before the Judicial 1st Class Magistrate (II) in Aluva by MP No.1307/2018. The Hon'ble Court has issued memorandum to Station House Officer, Binanipuram and awaiting further investigation report. The case is still pending for disposal.
4. In connection with the damage to the vehicle of the company in an accident with KSRTC, a suit has been filed with MACT on 09.09.2016. The accident was occurred on 17.08.2012. The insurer company "The New India Assurance Company" rejected the claim and hence the claim lodged with MACT. As per the award of the MACT Rs.1,13,202 has been received as compensation including interest for the claim period 13.10.2020.
5. KAVIL has supplied fishes to Sri. Vineesh Kumar. K.V, S/o Viswanathan, Kambathodath (H), Palluruthy, Ernakulam for a total amount of Rs. 66421/- during the year 2012. Sri. Vineesh Kumar has issued 7 cheques towards the payment of the amount due. In the meantime he had paid Rs. 8276/- in cash. When the company presented the cheques for encashment they were returned unpaid for the reason of insufficiency of funds. The fact of return of cheques has been intimated to the plaintiff. But he has only paid Rs. 4000/- on 05.07.2013. Since an amount of Rs. 54944/- is due from him, KAVIL has filed O.S. No. 1320/2015 before the Hon'ble Munsiff Court, Ernakulam and the court decreed the case in favour of the company on 29.07.2019. As per the judgment, Sri. Vineesh Kumar is liable to pay Rs. 54944/- along with interest at the rate of 9% per annum from the date of suit to the date of decree and 6% per annum from date of decree till payment or realization.
Since the party failed to remit the money, company has filed an execution petition No. 23/2021 in O.S No. 1320/2015 before the Hon'ble Munsiff Court, Ernakulam on 07.01.2021. The case is pending with the court.



6. KITCO, the consulting agency of the company has awarded the construction work of Administrative Block and Ferro cement tanks to M/S Group Constructions, Perumpadanna. While settlement of the work amount the company has paid an excess amount of Rs. 899025/- to M/S Group Constructions. Sri. V.S. Boban, Proprietor Group Constructions has given a cheque No. 229034 dated 10.10.2011 in favour of the company for Rs. 899025/- towards the settlement of the excess amount received by them. When the company tried to encash the cheque, the same was bounced and hence company has filed a civil case No. O.S. No. 134/2014 before the Hon.ble Sub Court, N. Parur. The Hon.ble court has referred the case to the mediation centre, N. Parur and the case was settled before the mediation centre, N. Parur on 24.01.2017. Sri. V.S. Boban offered to remit an amount of 11,41,762 to the company within one month from 21.01.2017. As Sri. V.S Boban failed to remit the amount in time, company has filed an execution petition No. E.P 134/2017 before the Principal Sub Court, N. Parur on 09.11.2017. The case is still pending before the court

For and on behalf of the Board of Directors

As per our report even date attached


MANAGING DIRECTOR
 KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)
 EAST KAKUNGILOOR
 ALUVA - 683102



For M/s Mohan Kumar & Co
 Chartered Accountants
 Firm No.002120S


 G. Mohan Kumar, FCA
 (Partner)
 M No. 022027

Place: Aluva
 Date: 18.10.2021

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Members of Kerala Aqua Ventures International Limited

Report on Standalone Financial Statements

We have audited the accompanying financial statements of Kerala Aqua Ventures International Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

Share application money Rs.1, 00,000 received as on 10.09.2009 and Rs.5, 00,000 received as on 02.09.2010 has not been considered for equity share allotment. The shares are neither allotted nor refunded the application money till date.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects for the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018 and its loss for the year ended on that date and the cash flows for the year ended on that date.

Emphasis of Matter

1. Company has received a Grant of Rs.2,00,00,000 from Fisheries & Ports (B) Department as per G.O(Rt)No.600/2017/F&PD during the year for the smooth functioning and operation of company. Out of the Grant received Rs.29,50,955 utilised for meeting revenue expenditure during the year and Rs.12,59,200 has been given as advance to KSCADC on 19.03.2018 for the project 'Renovation of KAVIL'.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(5) of the Act, we give a statement on the compliance to the directions issued by the Comptroller and Auditor General of India:
 - i. The Company has clear lease deed for lease hold land possessed by it.
 - ii. The Company has not been selected for disinvestment.
 - iii. Purchase of seeds valued Rs.8,489/- has been written off being mortality effected vide Resolution No.385/36/2018
 - iv. No cases of inventory lying with third parties/assets received as gift from government or other authorities were noted and hence records were not maintained.
 - v. Report of pending legal /arbitration cases
 1. KITCO, the consulting agency of the company has awarded the construction work of Administrative Block and Ferro cement tanks to the contractor V.S. Boban. At the time of settlement of the dues, the company has paid an excess amount of Rs. 8,99,025/- to the contractor. The contractor issued a cheque No. 229034 dated 10.10.2011 in favour of the company for Rs. 8,99,025/- towards the settlement of the amount. When the company presented the cheque for collection, the same was bounced and hence company filed a civil case No. O.S. No. 134/2014 before the Hon.ble Sub Court, N. Parur. The Hon.ble court has referred the case to the mediation centre and the case was settled before the mediation centre, N. Parur on 24.01.2017. The contractor offered to remit an amount of 11,41,762 to the company within one month from 21.01.2017. As he failed to remit the amount in time, company has filed an execution petition No. E.P 134/2017 before the Principal Sub Court, N. Parur on 09.11.2017. The case is still pending before the court
3. We give a statement on the compliance to the sector specific sub-directions for miscellaneous sector (other).
 - i. No case of diversion noted from Grant received Rs.2,00,00,000/-
 - ii. An agreement entered with KSCADC on 06.03.2018 for renovation of KAVIL assets. Contract amount were 62,96,000 out of which 12,59,200 being 20% of contract amount released during the year. The progress of work has not been reviewed.



iii. Audited entity has computerised only its accounting operations. Records such as payroll, stock register etc are not maintained electronically or manually.

4. As required by Section 143 (3) of the Act, we report that:

- i. We have sought and obtained almost all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. In our opinion proper books of account as required by law have not been kept by the Company so far as it appears from our examination of those books;
- iii. Company does not have any branches and so provisions of sec.143(8) are not applicable.
- iv. The balance sheet, the statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of accounts;
- v. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
- vi. The matter described in the basis for qualified opinion in paragraph above, in our opinion, may have adverse effect on the functioning of company.
- vii. The provisions of sec.164(2) of the Act is not applicable to the Company being a Government Company by virtue of Notification No. G.S.R. 582(E) dated 13th June 2017
- viii. The qualification relating to the maintenance of the accounts and other matters connected therewith are as stated in the basis for Qualified Opinion in paragraph above.
- ix. The company's internal financial control system in place is not operating effectively considering the size of the company and nature of the business.
- x. 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, 2016, in our opinion and to the best of our information and according to the explanations given to us:



- a) The company has disclosed the impact of pending litigations on its financial position in the financial statement in Note No.4 to the Notes to accounts
- b) The company do not have any long term contracts including derivatives contracts for which there were any material foreseeable losses and
- c) There are no amounts which are required to be transferred to the Investor Education & Protection Fund by the Company.

For M/s MOHANKUMAR & CO.
Chartered Accountants
ICAI REGTN NO: 002120S



Aluva
18.10.2021


G. MOHAN KUMAR, F.C.A.,
(Partner)
Mem No:022027

UDIN : 21022027 AAAACP 8934

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KERALA AQUA VENTURES INTERNATIONAL LTD.

According to the information and explanation given to us;

(i) (a) The company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Asset have not been physically verified by the management at reasonable intervals.

(c) The Lease deed (Title deed) of immovable property are held in the name of Company.

(ii) (a) The company is mainly engaged in aquaculture farming and physical verification of inventory has been conducted at reasonable intervals by the management;

(b) Procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is not maintaining proper records of inventory.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Consequently, the provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c) of the order are not applicable to the Company.

(iv) On the basis of our examination of books of accounts, the company has not granted any loans to any directors & Company has not made any investments during the year.

(v) The company has not accepted deposit from the public during the period covered by this audit report. Therefore, the compliance of provisions of sections 73 to 76 or any other relevant provisions does not arise. However, the Company has received share application money to the tune of Rs.1, 00,000 as on 10.09.2009 and Rs.5, 00,000/- on 02.09.2010 which has neither allotted within 60 days nor has been refunded.

(vi) To the best of our knowledge the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, with respect to the activities of the Company.

(vii) According to the information and explanations given to us and as per the records of the Company examined by us, in our opinion, the company is generally not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. It is also informed that TDS and interest thereon Rs.1,33,778/- is payable as on 31.03.2018 as disclosed in form 26 AS. This amount



stands outstanding for more than six months. No provision has been made for this amount in the accounts.

(viii) The company has defaulted in repayment of loans and borrowing to financial institution, banks, government or dues to debenture holders. Lender wise details of loan are,

Loan from KSCADC -1,00,00,000

Interest free deposit from KSIDC -16,33,384

(ix) We report that the Company has not raised any moneys by way of initial or further public offer or any term loans during the year.

(x) No fraud by the company or any fraud on the company by its officers and employees has been noticed or reported during the year:

(xi) The provisions of Section 197 read with schedule 5 to the Companies Act, 2013 is not applicable to the Company by virtue of notification dated June 5,2015.

(xii) The Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us and as per the records of the Company examined by us, no transaction with related parties has been observed during the year. Hence compliance with Section 177 and 188 of the Companies Act, 2013 is not applicable.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) The company has not entered into any non-cash transaction with the director or person concerned with him.

(xvi) The company is not required to be registered under Section 45 IA of Reserve Bank of India Act, 1934.

Aluva

18.10.2021



For,
Mohan Kumar & Co.,
Chartered Accountants
Firm's Registration number:02120S


G. MOHAN KUMAR, F.C.A.,
(Partner)

- Mem No:022027

ANNEXURE B REFERRED TO IN PARAGRAPH 2 (VI) UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KERALA AQUA VENTURE INTERNATIONAL LTD.

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 KERALA AQUA VENTURE INTERNATIONAL Ltd ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

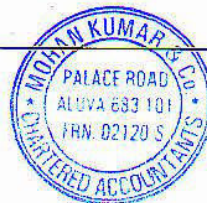
Management's Responsibility for Internal Financial Controls

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". 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 control 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.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that :

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

Opinion

In our opinion, the Company is not maintaining an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as at March 31, 2018, 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".

Aluva
18.10.2021



For,
Mohan Kumar & Co.,
Chartered Accountants
Firm's Registration number:02120S


G. MOHAN KUMAR F.C.A.
(Partner)
Membership Number: 022027