



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 2019.**

The preparation of financial statements of Kerala Aqua Ventures International Limited, Aluva for the year ended 31 March 2019 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 **31 May 2022**.

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 2019 under section 143(6)(a) of the Act.

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

Thiruvananthapuram
Dated: 16.08.2022


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

KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

BALANCE SHEET AS AT 31st MARCH, 2019

PARTICULARS	Note No.	As at 31.03.2019 (In Rupees)	As at 31.03.2018 (In Rupees)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	39300000.00	39300000.00
(b) Reserves and Surplus	2	-6665935.06	-5234917.52
(2) Share Application Money pending Allotment	3	600000.00	600000.00
(3) Non Current Liabilities			
(a) Long Term borrowings	4	11633384.00	11633384.00
(b) Other Long Term Liabilities	5	8931590.00	17478515.00
(4) Current Liabilities			
(a) Trade Payables	6	77673.00	30882.00
(b) Other Current Liabilities	7	16124152.18	16104064.00
(c) Short- Term Provisions	8	585620.00	491713.00
Total		70586484.12	80403640.48
II. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	9	56436267.82	58344051.00
(ii) Intangible Assets	10	2656.16	7210.00
(b) Long term Loans & Advances	11	3669957.00	3669957.00
(2) Current Assets			
Inventories			
(a) Inventories	12	20360.93	
(b) Trade Receivables	13	1076152.60	1032234.00
(c) Cash and Cash Equivalents	14	8726995.68	15966668.48
(d) Short -Term Loans and Advances	15	549988.43	1279415.00
(e) Other Current Assets	16	104105.00	104105.00
Total		70586484.12	80403640.48
See Significant Accounting Policies and accompanying Notes to Financial Statements	1 to 25		

The Notes referred to above form an integral part of Financial Statements

For and on behalf of the Board of Directors

As per our report even date attached

MANAGING DIRECTOR

KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)

Place: EAST KAKUNGALLOOR
Date: ALUVA - 683102



For M/s. GEORGE PARACKAL & CO. CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

31/05/2022

KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019

Particulars	Note No.	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
I. Revenue			
Revenue from Operations	17	562,214.21	104,660.00
Other Income	18	4,517,055.00	3,104,354.90
II. Total Revenue		5,079,269.21	3,209,014.90
III. Expense:			
Purchase	19	503,220.25	69,219.00
Changes in Inventory	20	(20,360.93)	-
Employee Benefit Expenses	21	2,084,606.00	1,774,039.00
Finance Cost	22	4,514.80	3,206.00
Depreciation & Amortisation Expense	23	1,951,094.20	2,634,087.00
Other Expenses	24	1,987,212.43	1,414,541.42
IV. Total Expense		6,510,286.75	5,895,092.42
V. Profit/(Loss) before Exceptional and Extraordinary item and tax		(1,431,017.54)	(2,686,077.52)
Exceptional Item			
Profit/(Loss) before Extra ordinary item and tax		(1,431,017.54)	(2,686,077.52)
Extra Ordinary Item			
Profit/(Loss) before Tax		-	137,265.00
VI. Tax Expense:			
(1) Current Tax		(1,431,017.54)	(2,823,342.52)
(2) Deferred tax		-	-
VII. Profit / (Loss) for the period (V-VI)		(1,431,017.54)	(2,823,342.52)
VIII. Earning per Equity Share:			
(1) Basic		(3.64)	(7.18)
(2) Diluted		-	-
Significant Accounting Policies and accompanying Notes to Financial Statements		1 to 25	

For and on behalf of the Board of Directors



MANAGING DIRECTOR

KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)


EAST KAKUNGALLOOR

ALUVA - 683102

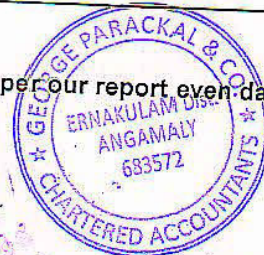
Place:

Date:

As per our report even date attached



ശ്രീ. ജി. പരാക്ക്കൽ
 അംഗം - 683572
 എറണാകുളം ജില്ല
 അംഗം നമ്പർ
 683572



For M/s. GEORGE PARACKAL & CO.
 CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIIB
 Managing Partner
 Mem. No. 202942
 FRN: 008646 S

31/05/2022

KERALA AQUA VENTURES INTERNATIONAL LTD

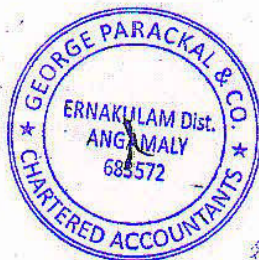
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East Kadungallor, Aluva

Ernakulam

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

SI.No	Particulars	2018-19 (In Rupees)	2017-18 (In Rupees)
1	Cash from Operating Activity		
	Net profit before tax	(1,431,017.54)	(2,823,342.52)
	Adjustments for:		
	Depreciation	1,951,094.20	2,634,087.00
	Grant Recognised	(4,339,275.00)	(2,950,955.00)
	Round Off	-	-
	Finance Cost	4,514.80	3,206.00
	Interest Received	-	(3,108.90)
	Operating Profit/(Loss) Before Working Capital Changes	(3,814,683.54)	(3,140,113.42)
	Decrease in Current Assets	665,147.04	2,271,266.00
	Increase in Current Assets	-	(860.00)
	Increase in Current Liability	160,786.18	29,925.00
	Decrease in Current Liability	-	(306,978.00)
	Cash Generated from Operations	(2,988,750.32)	(1,146,760.42)
	Tax Paid	-	-
	CASH GENERATED FROM OPERATING ACTIVITIES (A)	(2,988,750.32)	(1,146,760.42)
2	Cash from Investing Activity		
	Purchase of Fixed Assets	(38,757.00)	-
	Fixed Asset recognised from Government Grant	(4,207,650.20)	
	Increase in Long Term Loans and advances	-	(3,510,000.00)
	Interest Received	-	3,108.90
	CASH GENERATED FROM INVESTING ACTIVITIES (B)	(4,246,407.20)	(3,506,891.10)
3	Cash from Financing Activity		
	Government Grant Received		20,000,000.00
	Finance Cost	(4,514.80)	(3,206.00)
	CASH GENERATED FROM FINANCING ACTIVITY (C)	(4,514.80)	19,996,794.00
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(7,239,672.32)	15,343,142.00
	Opening Cash & Cash Equivalents	15,966,668.00	623,526.00
	Closing Cash & Cash Equivalents	8,726,995.68	15,966,668.00



	2018-19 (In Rupees)	2017-18 (In Rupees)
Closing cash and equivalents:		
Cash balance	17,036.00	20,881.00
Balances in current account with Banks	8,709,959.68	15,945,787.48
Other Deposits	-	-
	8,726,995.68	15,966,668.48

For and on behalf of the Board of Directors

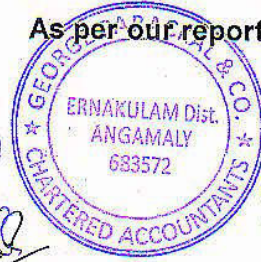


MANAGING DIRECTOR

KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)
EAST KAKUNGGALLOOR
ALUVA - 683102

Place:
Date:

As per our report even date attached




For M/s. GEORGE PARACKAL & CO.
CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

ശ്രീ. ജോർജ്ജ് പരാക്കൽ
(പൈൻ - 100554)
ബോയിസ് സെക്രട്ടറി
ധനകാര്യ വകുപ്പ്
എം. സെക്രട്ടേറിയറ്റ്
തിരുവനന്തപുരം

31/05/2022

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

NOTES FORMING PART OF BALANCE SHEET AS ON 31.03.2019

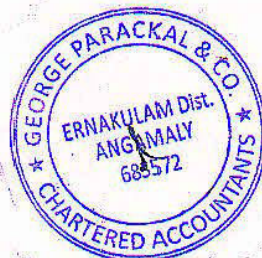
NOTE -1 SHARE CAPITAL

	Particulars	No. of Shares	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (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 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
(c)	Equity Shares			
	Shares Outstanding as on 01.04.2018	393,000	39,300,000.00	39,300,000.00
	Shares issued during the period	-	-	-
	Shares Brought back during the period	-	-	-
	Shares Outstanding as on 31.03.2019	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
	Y Nizar -5%	20000	2,000,000	2,000,000
	Sunish George-5%	20000	2,000,000	2,000,000
	NP Kutikrishnan Nair-5%	20000	2,000,000	2,000,000
	Hon .Governor of Kerala-51%	200600	20,060,000	20,060,000
	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 face value 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 31.03.2019

NOTE - 2 Reserves & Surplus

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Capital Reserves	67,619,422.00	67,619,422.00
Surplus balance in the Profit and Loss Account		
Opening Balance	(72,854,339.52)	(70,030,997.00)
Profit and Loss Account	(1,431,017.54)	(2,823,342.52)
	(74,285,357.06)	(72,854,339.52)
Less : Dividend	-	-
	(6,665,935.06)	(5,234,917.52)

NOTE -3 Share Application Money Pending Allotment

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (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 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Loan from KSCADC	10,000,000.00	10,000,000.00
Interest free deposit from KSIDC	1,133,384.00	1,633,384.00
Franchisee Fee	500,000.00	-
	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 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Lease Liability	429,470.00	429,470.00
Deferred Grant	8,502,120.00	17,049,045.00
	8,931,590.00	17,478,515.00

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 Fisheries & 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 Rs.43,39,275 and the same is recognised as income in Profit and Loss account. Amount

3. Rs 42,07,650 utilised towards project 'RENOVATION OF KAVIL' in FY 2018-19 along-with advance is reduced from the concerned Property, Plant and Equipment and Deferred Grant



NOTE 6 Trade Payables

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Purchase from Homestead Units	5,400.00	4,970.00
Matsyafed	25,912.00	25,912.00
Cochin Aquarium	46,361.00	-
	77,673.00	30,882.00

NOTE 7 Other Current Liabilities

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Advance from Customers:		
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
KSCADC Revamp phase-1	20,088.18	-
NFDB Fund Training Expenses	548,023.00	548,023.00
Subsidy received from Fisheries Department	13,550,000.00	13,550,000.00
Retension amount - Aquapark Neyyar	1,894,199.00	1,894,199.00
FIRMA	(21,235.00)	(21,235.00)
CPU No.1	229.00	229.00
	16,124,152.18	16,104,064.00

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. KSCADC Revamp Phase -1 is the balance amount payable to Kerala State Coastal Area Development Corporation Ltd on account of project 'RENOVATION OF KAVIL'

3. NFDB Fund Training Expenses amounting to Rs 5,48,023 is the unspent amount received for training purposes from National Fisheries Development Board which was recognised as liability during 14-15. It remains unsettled.

4. Subsidy received from Fisheries Department includes Rs 85,50,000 received from state Government for granting subsidy to home stead unit and Rs 50,00,000 received from FIRMA for integrated development of ornamental fish production in Kanjikuzhy block panjayath. Rs 1,35,50,000 recognised as liability on account of possible refund of grant for non fulfilment of conditions associated with the grant.

5. Retention amount is the amount payable to contractor Abdul vahid towards construction of aquapark and Export hub at Neyyar. Liability was recognised during the FY 2012-13



NOTE -8 Short - Term Provisions

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Lease rent payable	-	38,664.00
Salaries & Wages Payable	187,324.00	142,095.00
Professional charges payable	15,000.00	9,000.00
Security Charges Payable	46,480.00	60,840.00
Service Tax Payable	-	-
GI Payable	500.00	-
GPF Payable	14,000.00	-
SLI Payable	150.00	-
Electricity Charges Payable	18,478.00	-
Statutory Audit Fee Payable:	-	-
FY 2018-19		
Statutory Audit Fee	40,500.00	-
Other Expense	15,000.00	-
FY 2017-18		
Statutory Audit Fee	35,000.00	35,000.00
Other Expense	40,000.00	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
Internal Audit Fee Payable	14,854.00	14,854.00
TDS Payable	8,334.00	1,260.00
	585,620.00	491,713.00

NOTE 11 Long Term Loans and Advances

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Advance for Capital Construction	3,500,000.00	3,500,000.00
Advance Neyyar	10,000.00	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
	3,669,957.00	3,669,957.00

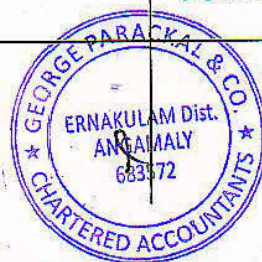
Advance for Capital Construction consists of advance given for the electrification works at Neyyar Project site Rs 20,00,000 and given to Mr.Felix Simon ,one of the share holders of the company and Rs.15,00,000 to Mr.Simon Varghese (Director till 12-01-2012) during the earlier years has not either commenced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

NOTE 12 Inventories

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Closing Stock	-	-
Aquarium Accessories	20,360.93	-
	20,360.93	-

NOTE 13 Trade Receivables

Particulars	As at 31-03-2019	As at 31-03-2018 (In Rupees)
Outstanding more than 6 months		
Unsecured Considered good		
Anuva Aquatique	-	2,907.00
Gulmarg	-	426.00

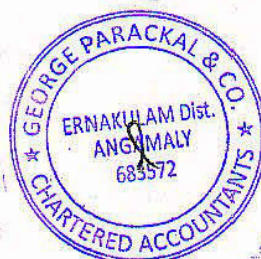


India Gills	-	115.00
Mareena Pets	-	5.00
Marine Aquarium	-	25.00
Mathew M Daniai	39.50	275.00
Mermaid Aquariums and Ponds	-	1,562.00
Ocen's	6.00	6.00
Prasob M Prem TVM	-	600.00
Surej MA	464.00	464.00
Malabar Aquarium	342.00	342.00
Aqua Art	-	1,414.00
Lovely Aqua Pets	-	2,390.00
<u>Doubtful</u>		
Amblard - France	176,810.00	176,810.00
Aquarium Lives	122,324.00	122,324.00
Aquarium World Hyderabad	13,176.00	13,176.00
ASC Smart Enterprise	486.00	1,689.00
Babe Aqua Culture	46.00	46.00
Felix Simon - USA	482,939.00	482,939.00
Marine E Aqua	72.00	72.00
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
Sali PVM Aquariums	938.00	938.00
SK Pets & Aquarium	-	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>		
CEO and DD of fisheries Kottayam	27,612.00	
Kerala Agro Industries Corporation ltd	24,160.10	
Superintendent Pathanam thitta	6,147.00	
	1,076,152.60	1,032,234.00

No Provision has been provided for doubtful bad debts. Hence the Profit is overstated to that extend

NOTE 14 Cash and Cash Equivalents

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Cash in Hand	17,036.00	20,881.00
Imprest Cash	-	-
<u>Balance with Banks</u>		
Canara Bank - CA A/c No. 1981201000221	20,297.48	23,295.48
Canara Bank - CA A/c No. 1981201000272	17,891.00	17,891.00
Canara Bank - CA A/c No. 1981201000269	8,671,771.20	15,904,601.00
	8,726,995.68	15,966,668.48



NOTE - 15 Short Term Loans and Advances

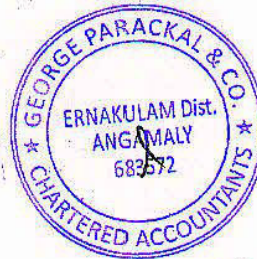
Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (In Rupees)
Advance for Renovation	-	1,259,200.00
Assistance to Shareholders	500,000.00	
Other Advances	4,500.00	4,500.00
Duties And Taxes	27,704.43	
Prepaid Expenses	17,784.00	15,715.00
	549,988.43	1,279,415.00

1. 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 20 percent Rs 12,59,200 being of contract amount released out of the grant received was recognised as Advance for Renovation during the year 2017-18. As Fixed Asset is recognised during the FY 2018-19, the amount is transferred from Advance for Renovation to KSCADC Revamp Phase 1 Account

2. Assistance to share holder :Refer Notes to Account Point B(8)

NOTE - 16 Other Current Assets

Particulars	As at 31-03-2019 (In Rupees)	As at 31-03-2018 (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	48,543.00	48,543.00
TDS FY 2016-17	9,860.00	9,860.00
TDS FY 2017-18	860.00	860.00
	104,105.00	104,105.00



KERALA AQUA VENTURES INTERNATIONAL LTD

CIN(U05000KL2007SGC021510)

East Kadungallor, Aluva

Ernakulam

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019**NOTE-17 Revenue from Operation**

Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Sale of Fish -Domestic	456,118.00	87,928.00
Sale of Feed	6,502.00	495.00
Sale of Fish Seed	33,154.00	16,237.00
Sale of Accessories	64,848.55	-
Sale of Aquarium plant	1,091.66	-
Sale of packing material	500.00	-
	562,214.21	104,660.00

NOTE-18 Other Income

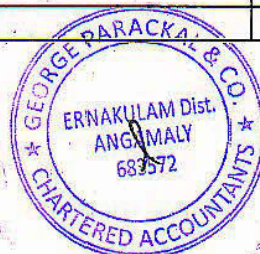
Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Grant Received	4,339,275.00	2,950,955.00
Interest income on Bank Fixed Deposit	-	3,108.90
Insurance Claim Received	171,700.00	27,299.00
Legal fee Return	-	102,062.00
Miscellaneous Income	6,080.00	20,930.00
	4,517,055.00	3,104,354.90

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.43,39,275 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 claim of Rs 1,71,700 received by KAVIL from New India Assurance Limited towards their settlement of Policy No 571000311710005106 towards repair of Vehicle No KL 01 AX 8826 ,Toyota Innova

NOTE-19 Purchase

Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Purchase of :		
Fish feed	16,629.00	700.00
Ornamental Fish	370,286.00	59,980.00
Packing Materials	40,390.00	8,539.00
Aquarium Plant	5,650.00	-
Aquarium Accessories	70,265.25	-
	503,220.25	69,219.00



NOTE-20 Changes in Inventory

Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Opening Stock	-	-
Closing Stock	20,360.93	-
	(20,360.93)	-

NOTE-21 Employee Benefit Expenses

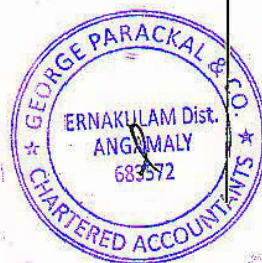
Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Salary, Wages and Bonus	2,059,606.00	1,774,039.00
Medical reimbursement	25,000.00	-
	2,084,606.00	1,774,039.00

NOTE-22 Finance Cost

Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Bank Charges	4,514.80	3,206.00
	4,514.80	3,206.00

NOTE - 23 Other Expenses

Particulars	For the year ended 31.03.2019 (In Rupees)	For the year ended 31.03.2018 (In Rupees)
Audit Fee & Expense		
- Statutory Audit Fee	45,000.00	35,000.00
- Other Services	15,000.00	40,000.00
Advertisement	5,772.00	-
Conveyance	5,644.00	2,060.00
Cooly	22,925.00	27,550.00
Consumables	4,836.10	-
Cleaning Charges Revamp	53,516.00	-
Business Promotion Expenses	46,390.00	256,000.00
Electricity Charges	91,181.00	67,908.00
Festival Allowance	22,990.00	22,990.00
Freight Charges	2,522.00	-
Fish Medicines	4,536.00	632.00
Fuel Vehicle	50,795.00	2,300.00
Fuel & Gas	5,417.00	-
Insurance Premium	15,715.00	-
Internet Charges	13,655.00	18,494.00
Lab Expenses	8,374.00	2,198.00
Lease to Government	85,800.00	46,107.00
Membership Fee	7,375.00	7,375.00
Miscellaneous Expenses	9,330.00	7,263.00
Mortality Loss	9,118.00	8,489.00
Office Expense	19,943.00	18,315.00
Office Stationery	27,622.00	4,199.00
Legal Fee and Expenses	32,000.00	187,880.00
Professional Charges	271,400.00	127,000.00



Professional Tax		6,000.00
Profit on FFDA- Karapuzha works		(39,920.00)
Postage & Courier	10,346.00	2,495.00
Printing & Stationery	17,546.00	2,650.00
Meeting Expenses	7,124.00	-
ROC Filing fee	10,500.00	-
Rates & Fees	174,387.00	156,971.00
Repair & Maintenance	510,959.75	12,015.00
Round Off	(9.42)	(0.58)
Security Charges	331,384.00	370,500.00
Telephone Charges	6,977.00	7,670.00
Transportation Charges	3,986.00	850.00
Staff Travelling Expense	23,509.00	13,551.00
Aquarium Plant Cultivation	13,647.00	-
	1,987,212.43	1,414,541.42

Lease to Government include lease amount for FY 2018-19 Rs. 38,664 , FY 2016-17 Rs 38,664 and Other recoveries for 2016-17 Rs.8472

NOTE - 24 Extra Ordinary Item

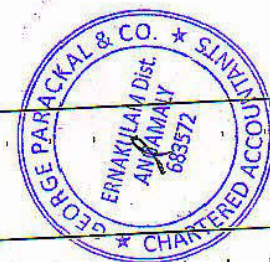
Particulars	For the year ended	For the year
	31.03.2019	ended 31.03.2018
	(In Rupees)	(In Rupees)
Prior period expense	-	137,265.00
	-	137,265.00



NOTE- 9 Tangible Assets

SCHEDULE OF FIXED ASSET AS ON 31ST MARCH 2019 AS PER COMPANIES ACT, 2013

Sl. No.	PARTICULARS	GROSS BLOCK AS ON 01.04.2018		Additions during the year	Deletions during the year	Grand Utilised	Total as on 31.03.2019	DEPRECIATION				NET BLOCK					
		AS ON 01.04.2018						Up to 31.03.2018		During the year		Up to 31.03.2019		AS ON 31.03.2019		AS ON 01.04.2018	
		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		102,078.02		(102,078.02)	19,709,125.71	6,050,142.73	670,656.07		6,720,798.80		12,989,326.93		13,658,983.00		
4	Air Conditioners	277,916.75					277,916.75	235,132.22	7,183.02		242,315.24		35,601.98		42,785.00		
5	Antivirus Software	1,200.00					1,200.00	1,200.00		1,200.00							
6	Aqua Hub	35,745,692.96		1,296,801.21		(1,296,801.21)	35,745,692.96	15,205,211.09	982,166.39		16,187,377.48		19,559,315.61		20,541,482.00		
7	Blower	504,170.81		178,867.64		(178,867.64)	504,170.81	478,962.27	0.00		478,962.27		25,209.00		25,209.00		
8	Book Shelves	28,821.45					28,821.45	25,759.30	940.01		26,699.31		2,121.99		3,062.00		
9	Bore well	334,295.53					334,295.53	105,032.21	11,162.72		116,194.93		218,100.28		229,253.00		
10	Cash Safe	8,788.51					8,788.51	7,857.03	285.16		8,142.19		645.84		931.00		
11	Chairs	171,150.21					171,150.21	153,480.95	5,206.56		158,687.51		12,452.44		17,659.00		
12	Computer	598,651.25		92,180.00		(89,750.00)	601,081.25	568,718.69	363.68		569,082.37		31,999.32		29,933.00		
13	Cupboard	8,194.97					8,194.97	7,785.22			7,785.22		410.00		410.00		
14	Cycle	15,552.90					15,552.90	13,854.77	457.10		14,311.87		1,240.90		1,698.00		
15	Diesel Generator Set	580,199.41					580,199.41	421,197.34	30,735.77		451,933.11		128,266.23		159,002.00		
16	Drier	15,000.00					15,000.00	10,746.77	829.40		11,576.17		3,423.60		4,253.00		
17	Electrical Equipments	18,729.00					18,729.00	10,546.78	1,484.54		12,031.32		6,697.46		8,182.00		
18	Electrification	4,195,125.81		1,085,239.22		(1,085,239.22)	4,195,125.81	2,225,676.31	92,371.87		2,318,048.18		1,877,077.13		1,969,449.00		
19	Electronic Balance	15,896.83					15,896.83	12,665.56	520.24		13,205.80		2,690.76		3,211.00		
20	Fan	3,900.00					3,900.00	3,705.00	(0.00)		3,705.00		195.00		195.00		
21	Farm Equipments	202,138.16					202,138.16	180,508.13	2,740.37		183,248.50		18,889.63		21,630.00		
22	Fax Machine	7,058.19					7,058.19	6,705.28	0.00		6,705.28		353.00		353.00		
23	Fibre Glass Tank	3,109,244.87					3,109,244.87	2,798,631.29	90,337.03		2,888,968.32		220,276.97		310,614.00		
24	Fish Aquarium & Accessories	186,121.16					186,121.16	176,815.10	(0.00)		176,815.10		9,306.00		9,306.00		
25	Glass Tank	45,000.00					45,000.00	36,853.25	2,240.88		39,094.13		5,906.12		8,147.00		
26	Lab Equipment	91,176.09					91,176.09	82,398.95	1,061.25		83,460.20		7,715.75		8,777.00		
27	Oxygen Cylinder	46,237.37		3,859.00			50,096.37	36,534.92	2,013.03		38,547.95		11,547.97		9,702.00		
28	PAEX & Accessories	10,254.00					10,254.00	9,741.30			9,741.30		513.00		513.00		
		10,675.00					10,675.00	10,141.25			10,141.25		534.00		534.00		



30	Quarantine	1,035,873.43	537,151.98	-	(537,151.98)	1,035,873.43	343,256.51	33,744.13	377,000.64	658,872.87	662,617.00
31	Security Cabin	175,000.00	397,504.93	-	(397,504.93)	175,000.00	166,250.00	0.00	166,250.00	8,750.00	8,750.00
32	Sofa	23,169.22	-	-	-	23,169.22	20,657.88	788.27	21,446.15	1,722.73	2,511.00
33	Stabilizer	107,298.74	-	-	-	107,298.74	83,589.13	4,609.31	88,198.44	19,100.69	23,710.00
34	Stool	169.56	-	-	-	169.56	161.08	-	161.08	8.00	8.00
35	Tables	133,796.79	-	-	-	133,796.79	123,225.71	2,210.08	125,436.79	8,360.92	10,571.00
36	UV Filter	233,727.90	-	-	-	233,727.90	222,041.51	-	222,041.51	11,686.00	11,686.00
37	Vehicles	1,370,064.78	-	-	-	1,370,064.78	1,289,326.16	1,635.39	1,301,561.55	68,503.61	70,139.00
38	Water Purifier	585,216.70	320,265.22	-	(320,265.22)	585,216.70	555,955.87	-	555,955.87	29,261.00	29,261.00
39	Aquarium wooden stand	25,500.00	25,500.00	-	(25,500.00)	-	-	-	-	-	-
40	Air Pump	12,380.00	12,380.00	-	-	12,380.00	-	798.09	798.09	11,581.91	-
41	Open Well	179,108.59	179,108.59	-	(179,108.59)	-	-	-	-	-	-
42	Pump house	25,471.38	25,471.38	-	(25,471.38)	20,088.18	-	-	-	-	-
TOTAL		90,035,149.37	4,246,407.18	-	(4,207,650.00)	90,073,906.55	31,691,097.56	1,946,540.36	33,637,637.92	55,436,267.82	58,344,051.00

NOTE-10 Intangible Asset

Sl. No.	PARTICULARS	Period of Amortisation	GROSS BLOCK AS ON 01.04.2018		Additions during the year		Deletions during the year		Total as on 31.03.2019		AMORTISATION		NET BLOCK	
			Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Rs.	Ps.	Up to 31.03.2018	AS ON 31.03.2019
1	Website	4	199,438.00	-	-	-	-	-	199,438.00	4,553.84	196,782.13	196,782.13	2,656.16	7,210.00
TOTAL			199,438.00	-	-	-	-	-	199,438.00	4,553.84	196,782.13	196,782.13	2,656.16	7,210.00



KERALA AQUA VENTURES INTERNATIONAL LIMITED,
Aluva -683102

NOTES FORMING INTEGRAL PART OF THIS FINANCIAL STATEMENTS-25

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF
ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2019

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 employee's 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

Inventories are valued at lower of cost and net realizable value.

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

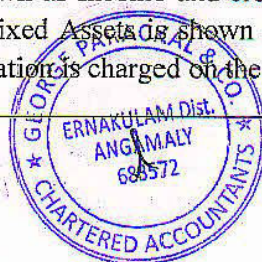
Fixed assets are stated at cost of acquisition less accumulated depreciation.

Actual cost is inclusive of freight, installation cost, taxes, direct expenses other incidental expenses and expenses incurred to bring the fixed assets to its present location.

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 12: Accounting for Government Grants

Grant utilized for revenue expenditure is shown as Income and credited to Profit and Loss Account. Portion of Grant utilized towards Fixed Assets is shown as a deduction from the Cost of Fixed Asset to that extend and depreciation is charged on the balance figure.



6. AS 13: Investments

Long term investments are stated at cost.

7. 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.

8. 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.

9. 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.

10. 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.

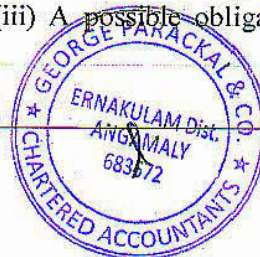
11. AS 28: Impairment of assets

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.

12. 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 outflow of resources 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 (i) a present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation (ii) A present obligation when no reliable estimate is possible and (iii) A possible obligation arising from



past events where the probability of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the accounts

B) NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

1. Report of pending legal/ arbitration cases

- I. 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 the 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.

- II. 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 become 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.

- III. The amount due from M/s Wonderland Fish, Manama, Bahrain 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.

- IV. 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



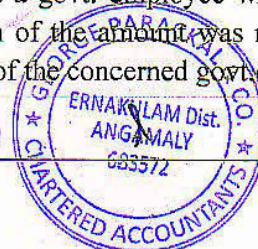
17.08.2012. The insurer company "The New India Assurance Company" rejected the claim and hence the claim lodged with MACT. As per the award of the MACT Rs.1, 13,202 has been received as compensation including interest for the claim period 13.10.2020.

V. 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.

VI. 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.

2. Insurance claim received from New India Assurance Ltd. towards repair of vehicle Toyota Innova was considered as operating income in cash flow statement
3. There is no related party transactions during the period.
4. GI ,GPF and SLI payment was paid in respect a govt. employee who was appointed on deputation as senior manager. The computation of the amount was not done at company level. Payment was made as per the instruction of the concerned govt department



5. Foreign Currency Transactions : Nil
6. In the opinion of the Management there is no Impairment of Fixed Assets of the Company in accordance with Accounting Standard 28-Impairment of Assets
7. Company has no information about the suppliers regarding their status as defined under the Micro, Small and Medium Enterprises Development Act 2006 as on 31.3.2019 and therefore, disclosures relating to amounts unpaid as at the year end in respect of enterprise as defined under section 2(e) of the MSMED Act 2006, has not been furnished. The company is not expecting any material impact by way of interest that may become payable in accordance with the provisions of the Act.
8. Assistance to Shareholder, Rs 5, 00,000 paid to Mr Sunish George during the year. He has invested Rs 25, 00,000 (Rs 20, 00,000 towards equity shares and Rs 5,00,000 towards Franchise Fee for allotment of hub) in the company. Based on Resolution No 174/26/2012 of 26th Board Meeting held on 12.01.2012 of the Company, it was decided to take over the hub allotted to him. Challenging this action, Sunish George filed case No WP(C)/3256/2012 with the Hon. High Court of Kerala which was subsequently ruled in his favour .However the 33rd Board Meeting held on 29.07.2015 resolved not to pay back the amount invested by him in view of financial difficulties of the company vide Resolution No 275/33/2015. Shri Sunish George filed a petition WP(C)3581/2016-W before the Hon. High Court of Kerala against the decision of the Board which was again ruled in his favour. The claim of the Petitioner was again rejected by the Managing Director vide order No KAVIL/06/2012 dated 05.07.2012. However 36th Board Meeting held on 14.11.2018 was inclined to assist the investor considering his pathetic financial condition and the court ruling in his favour .Hence vide resolution No 365/36/2018 it was decided to provide assistance of Rs 10 Lakhs to Shri Sunish George in two installments of Rs 5 Lakh each against the deposit of his share Certificate.

For and on behalf of the Board of Directors

As per our report even date attached


MANAGING DIRECTOR

KERALA AQUA VENTURES INTERNATIONAL LTD. (KAVIL)

Place: EAST KAKUNGALLOOR

Date: 11/11/2022



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(പെൻ - 100554)
ജോയിന്റ് സെക്രട്ടറി
ധനകാര്യ വകുപ്പ്
ഗവ: സെക്രട്ടേറിയറ്റ്
തിരുവനന്തപുരം



CA. GEORGE P. KURIAN FCA, CAIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

31/05/2022

CA. GEORGE P. KURIAN, CAIIB, FCA
Managing Partner



GEORGE PARACKAL & CO
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

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, 2019, 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

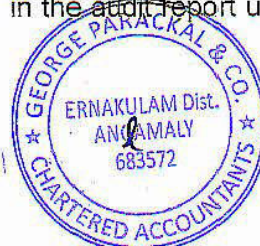
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the company 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.

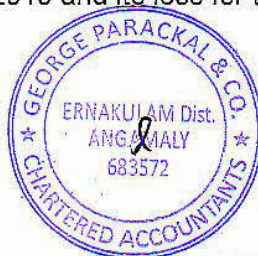
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

1. The Board of Directors of Kerala Aqua Ventures International Limited, wide Resolution No: 365/36/2018 has decided to provide assistance of Rs 10 Lakhs to Shri Sunish George in two installments of Rs 5 Lakh each against the deposit of his share Certificate, out of which First Installment is already paid in the FY 2018-19. Aforesaid payment of Rs 5 Lakh is made from the Grant received by the company 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.
2. The Company does not maintain serially numbered vouchers and hence we are unable to ascertain whether any vouchers are missing and any transactions are omitted to be recorded in the Books of Accounts
3. Share Application Money received amounting to Rs 6,00,000/- has not be considered for share allotment. The Share Application money is not refunded till date. . No provision has been made in the accounts for the interest payable on share application money where allotment is not done with in 60 days as per Section 42(6) of the Companies Act,2013.

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 2019 and its loss for the year ended on that date and the cash flows for the year ended on that date.



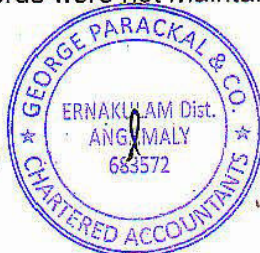
Emphasis of Matter

We draw attention to the following matters in the Notes to the Financial Statement

- 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.43, 39,275 utilized for meeting revenue expenditure during the year and Rs. 28,33,200 has been given as advance to KSCADC on 07.01.2019 for the project 'Renovation of KAVIL' which is capitalized under Property, Plant and Equipments in the Balance Sheet. Additions to Property, Plant and Equipments from the grant has been deducted from the corresponding Block of Assets as per corresponding Accounting Standards.
- 2) As per the information provided to us, the last AGM(14th) was held on 18.10.2021.From the minutes of the meeting it is evident that the Audited Financial statements for the FY 2017-18 is not placed at the relevant AGM for its adoption .
- 3) Tax not deducted (TDS) at source under the provisions of The Income Tax Act 1961 and GST with respect to the payment amounting Rs 28,33,200 made by KAVIL to Kerala State Coastal Area Development Corporation (KSCADC).
- 4) The Company is not obtaining periodic balance confirmations from its customers and Suppliers.
- 5) Board of Directors has not met the minimum requisite number of times as mandated by Section 173 of the Companies Act,2013

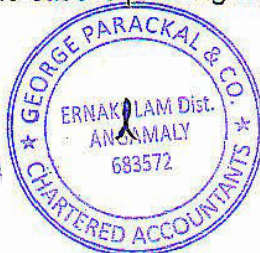
Report on Other Legal and Regulatory Requirements

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 (1) 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. According to the information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.
 - iv. Purchase of Ornamental Fish valued Rs.9,118/- has been written off being mortality effected vide Order No.KAVIL/B/19/2010 dated 28.08.2019.
 - v. 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.



vi. Report of pending legal /arbitration cases

- i. 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 the 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.
- ii. 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 become 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.
- iii. The amount due from M/s Wonderland Fish, Manama, Bahrain 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.
- iv. 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.



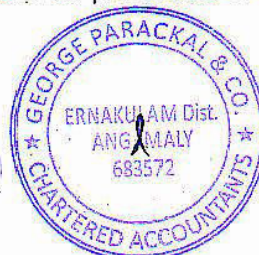
- v. KITCO, the consulting agency of the company has awarded the construction work of Administrative Block and Ferro cement tanks to M/S Group Constructions, Perumpadanna. While settlement of the work amount the company has paid an excess amount of Rs. 899025/- to M/S Group Constructions. Sri. V.S. Boban, 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.

3. We give a statement on the compliance to the sector specific sub-directions for services and miscellaneous sector (other).

- i. As per the information provided to us, Pricing policy is determined by a Committee chaired by the General Manager which determines the price based on market study. Hence the prices vary as per market fluctuation.
- ii. No work executed during the year on behalf of Government or other organizations on commission basis.
- iii. Diversion noted from Grant received Rs.2,00,00,000/- to the extend of Rs 5,00,000/- paid as Assistance to Share Holder(Point 1, Basis for Qualified Opinion).
- iv. An agreement entered with KSCADC on 06.03.2018 for renovation of KAV1L assets. Contract amount were 62, 96,000 out of which 12, 59,200 being 20% of contract amount released during the year 2017-18. During the year 2018-19, 45% of contract amount 28,33,200 was further released. The amount has been recognized under Property, Plant and Equipments during this year based on the completion of the project. The progress of work has not been reviewed.
- v. Audited entity has computerized only its accounting operations. Records such as payroll, stock register etc. are maintained manually. Overall improvement required in this regard.

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 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. Except for the effects of matters described in the "Basis for Qualified Opinion" paragraph, 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. Apart from the matters described in the basis for qualified opinion in paragraph above, in our opinion, there are no observations on the financial transaction which 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. However we are unable to verify if the company has defaulted in filing its financial statements under section 137 of the Act or Annual return under section 92 of the Act.
- viii. The company's internal financial control system in place is not operating effectively considering the size of the company and nature of the business.
- 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.

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.1 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. GEORGE PARACKAL & CO.
CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

Angamaly
31.05.2022

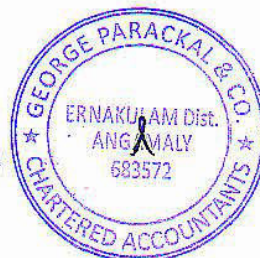
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ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

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 TO THE MEMBERS OF KERALA AQUA VENTURES INTERNATIONAL LTD FOR THE YEAR ENDED 31ST MARCH 2019.

According to the information and explanation given to us;

- i. (a) The company has 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 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 maintaining proper records of inventory. However the same is not integrated with the Books of Accounts.
- 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 and 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. 100000 as on 10.09.2009 and Rs. 500000 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 subsection (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 regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sale tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. However it is noted that TDS and interest thereon Rs.133778 is payable as on 31.03.2019 as disclosed in form 26 AS. This amount stands outstanding for more than 6 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 -1000000
Interest free deposit from KSIDC -1133384.
Franchisee Fee from KSIDC-500000



- 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 explanation 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 transactions 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.



For M/s. GEORGE PARACKAL & CO.
CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

Angamaly
31.05.2022

UDIN: 22202942AJYLEQ7098

ANNEXURE B REFERRED TO IN PARAGRAPH 2 (VI) 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.

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, 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

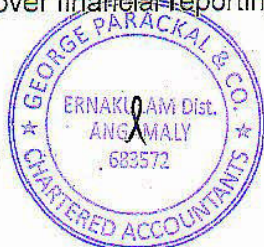
Management’s Responsibility for Internal Financial Control

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.

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



Meaning of Internal Financial Controls over Financial Reporting

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

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

The Standard Operating procedures and internal control procedures are deficient and needs improvement in the area of Inventory Management, Maintenance of documents and statutory records, Fixed Asset Management, Periodic Balance Confirmations as evidenced in the "Basis of Qualified Opinion" and "Emphasis of Matter" paragraphs in the audit report and Annexure A.

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 31,2019, 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".

Angamaly
31.05.202



For M/s. GEORGE PARACKAL & CO.
CHARTERED ACCOUNTANTS

CA. GEORGE P. KURIAN FCA, CAIB
Managing Partner
Mem. No. 202942
FRN: 008646 S

UDIN: 22202942AJYLEQ7098