



Independent Auditor's Report on the half yearly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
**The Board of Directors of
Jhandewalas Foods Limited**

Report on the audit of the Standalone Financial Results

Qualified Opinion

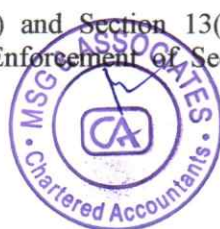
We have audited the accompanying statement of half yearly and year to date standalone financial results of Jhandewalas Foods Limited (the "Company") for the half yearly and year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view except the effect of the matter described in the basis of opinion paragraph, in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the half yearly and year ended March 31, 2022.

Basis for Qualified Opinion

- i. The Accumulated losses of the Company is Rs. 3663.19 Lakhs (Previous period Loss Rs. 3588.08 Lakhs) and its net worth is negative Rs. 2971.50 Lakhs (Previous period positive Rs. 2562.04 Lakhs) as at the end of the reporting period which indicates erosion of Net worth of the Company.
- ii. Company has not made any Provision for Interest on Cash Credit Facility availed from State Bank of India, Axis Bank and Kotak Mahindra Bank Term Loan and Kotak Mahindra Bank Overdraft Facility account. After one-time settlement with SBI and Kotak Mahindra banks, bank statement is not available for verification and interest amount also not quantified. This is because of classification of its account by the concerned State Bank of India as Non-Performing Assets (NPA). SBI, Axis Bank, and Kotak Mahindra Bank has filed suit against recovery of outstanding with Debt Recovery Tribunal, Jaipur during the F Y 2021-22.
- iii. Company has received Notice u/s. 13(2) and Section 13(4) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002





(No.3 of 2002) dated 25/11/2019 from State Bank of India, as the operation of and conduct of the financial assistance / credit facilities have become irregular and company's debt with its bankers has been classified as Non-Performing Asset (NPA) as per the guidelines issued by RBI. The current status is pending with the respective authority.

- iv. During the previous year State Bank of India, Stressed Assets Management Branch (“SAMB”), New Delhi vide their letter no. SAMB-II/CL/VI-2019-20/3342 dated 06/03/2020 have absolutely assigned all the rights, title and interest in financial assistance in favor of SAMB, New Delhi”, in response to this action, SAMB has published an advertisement for sale of primary collateral security entire fixed assets including factory building, situated at Plot No. 551-B, Road No. 6, V.K.I.A., RIICO Industrial Area, Sikar Road, Jaipur.
- v. Balances of Loans, Sundry Debtors, Loans and Advances and Current Liabilities, are subject to confirmation and reconciliation from the respective parties.
- vi. Listing of the company has been suspended due to penal reason and the company has not made any provision for such penalty amount.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (“the Act”). Our responsibilities under those Standards are further described in the “Auditor’s Responsibilities for the Audit of the Standalone Financial Results” section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.

Management’s Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



M.S.G. & Associates
Chartered Accountants



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Malviya Nagar Industrial Area,
Jaipur – 302017,
camahendrabalani@hotmail.com
9414048697

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

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

For M.S.G. & Associates
Chartered Accountants
FRN: 010254C

Place:- Jaipur
Date: 08/09/2022
UDIN:22076396AYLZZZ7386

Mahendra Balani
Mahendra Balani
(Partner)
Membership No. 076396



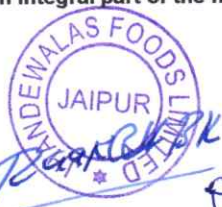
Balance Sheet as at 31st March 2022

₹ In Lakhs

Particulars	As at 31 st March 2022	As at 30 th September 2021
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	1,026.04	1,026.04
Reserves and surplus	(3,997.54)	(3,780.01)
Money received against share warrants	0.00	0.00
	(2,971.50)	(2,753.97)
Share application money pending allotment	0.00	0.00
Non-current liabilities		
Long-term borrowings	167.08	418.42
Deferred tax liabilities (Net)	22.62	22.62
Other long term liabilities	0.00	0.00
Long-term provisions	8.59	0.57
	198.29	441.61
Current liabilities		
Short-term borrowings	4,183.21	4,169.95
Trade payables		
(A) Micro enterprises and small enterprises	266.66	268.62
(B) Others	806.79	791.94
Other current liabilities	222.31	202.53
Short-term provisions	30.67	30.45
	5,509.64	5,463.49
TOTAL	2,736.43	3,151.13
ASSETS		
Non-current assets		
Property, Plant and Equipment and Intangible assets		
Property, Plant and Equipment	1,563.15	1,581.80
Intangible assets	0.00	0.00
Capital work-in-Progress	0.00	0.00
Intangible assets under development	0.00	0.00
Non-current investments	0.00	0.00
Deferred tax assets (net)	0.00	0.00
Long-term loans and advances	0.00	0.00
Other non-current assets	73.90	23.90
	1,637.05	1,605.69
Current assets		
Current investments	0.00	0.00
Inventories	74.98	211.19
Trade receivables	762.58	1,086.08
Cash and cash equivalents	64.98	30.67
Short-term loans and advances	37.32	39.13
Other current assets	159.52	178.37
	1,099.38	1,545.44
TOTAL	2,736.43	3,151.13
Difference	0.00	0.00

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For M.S.G. & Associates
Chartered Accountants
(FRN: 010254C)



For and on behalf of the Board of Directors



Mahendra Balani
Partner
Membership No. 076396

Raakesh B Kulwal
Chairman
& Managing Director
DIN: 00615150

Jinko Devi Koolwal
Director
DIN: 02531975

Irfan Naqvi
Chief Financial Officer
PAN – ABZPN5732G

Shilpi Gupta
Company Secretary
Membership No. A57712

Place: Jaipur
Date: 08/09/2022
UDIN: 22076396AYLZZZ7386



Statement of Profit and loss for the year ended 31st March 2022

₹ In Lakhs

Particulars	31 st March 2022	30 th September 2021
Revenue		
Revenue from operations	1784.18	1381.98
Less: Excise duty	0.00	0.00
Net Sales	1784.18	1381.98
Other income	3.32	0.54
Total revenue	1787.50	1382.52
Expenses		
Cost of material Consumed	1741.30	1523.03
Purchase of stock-in-trade	0.00	0.00
Changes in inventories	182.23	(141.71)
Employee benefit expenses	75.38	78.02
Finance costs	3.77	1.22
Depreciation and amortization expenses	21.55	21.59
Other expenses	171.94	92.30
Total expenses	2196.15	1574.45
Profit before exceptional, extraordinary and prior period items and tax	(408.65)	(191.93)
Exceptional items	0.00	0.00
Profit before extraordinary and prior period items and tax	(408.65)	(191.93)
Extraordinary items	191.12	0.00
Prior period item	0.00	0.00
Diminution in Value of Stock (Net)	0.00	0.00
Profit before tax	(217.53)	(191.93)
Tax expenses		
Current tax	0.00	0.00
Deferred tax	0.00	0.00
Excess/short provision relating earlier year tax	0.00	0.00
Profit(Loss) for the period	(217.53)	(191.93)
Earnings per share		
Basic		
Before extraordinary Items	(2.12)	(1.87)
After extraordinary Adjustment	(2.12)	(1.87)
Diluted		
Before extraordinary Items	0.00	0.00
After extraordinary Adjustment	0.00	0.00

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M.S.G. & Associates
Chartered Accountants
(FRN: 010254C)

Mahendra Balani
Mahendra Balani
Partner
Membership No.: 076396

Raakesh B Kulwal
Raakesh B Kulwal
Chairman
& Managing Director
DIN: 00615150

Jinko Devi Koolwal
Jinko Devi Koolwal
Director
DIN: 02531975

For and on behalf of the Board of Directors

Irfan Naqvi
Irfan Naqvi
Chief Financial Officer
PAN – ABZPN5732G

Shilpi Gupta
Shilpi Gupta
Company Secretary
Membership No:
A57712

Place: Jaipur

Date: 08/09/2022

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Cash Flow Statement for the year ended 31st March 2022

₹ In Lakhs

	PARTICULARS	31 st March 2022	30th September 2021
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	(600.58)	(191.93)
	Adjustments for non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	43.14	21.59
	Finance Cost	4.98	1.22
	(Profit) / Loss on Sale Of Assets	0.00	0.00
	Interest received	0.00	0.00
	Other Inflows / (Outflows) of cash	6.84	(1.18)
	Operating profits before Working Capital Changes	(545.62)	(170.30)
	Adjusted For:		
	(Increase) / Decrease in trade receivables	369.34	45.84
	Increase / (Decrease) in trade payables	(32.13)	(45.03)
	(Increase) / Decrease in inventories	403.80	267.60
	Increase / (Decrease) in other current liabilities	15.76	(4.25)
	(Increase) / Decrease in Short Term Loans & Advances	3.31	1.50
	(Increase) / Decrease in other current assets	13.55	(5.30)
	Cash generated from Operations	228.01	90.07
	Net cash flow from operating activities before extraordinary items	228.01	90.07
	Proceeds from extraordinary items	191.12	-
	Net Cash flow from Operating Activities(A)	419.13	90.07
B.	Cash Flow From Investing Activities		
	Purchase of tangible assets	(8.03)	(6.59)
	Proceeds from sales of tangible assets	0.62	0.00
	Interest Received	0.00	0.00
	Cash advances and loans made to other parties	0.00	0.00
	Other Inflow / (Outflows) of cash	(50.50)	(0.50)
	Net Cash used in Investing Activities(B)	(57.92)	(7.09)
C.	Cash Flow From Financing Activities		
	Finance Cost	(4.98)	(1.22)
	Increase in / (Repayment) of Short term Borrowings	(50.15)	(63.41)
	Increase in / (Repayment) of Long term borrowings	(262.72)	(11.39)
	Other Inflows / (Outflows) of cash	0.00	0.00
	Net Cash used in Financing Activities(C)	(317.85)	(76.01)
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	43.36	6.97
E.	Cash & Cash Equivalents at Beginning of period	21.61	21.61
F.	Cash & Cash Equivalents at End of period	64.98	30.67
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	43.36	9.06
H.	Difference (F-(D+E))	0.00	0.00

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M.S.G. & Associates
Chartered Accountants
(FRN: 010254C)

Mahendra Balani
Mahendra Balani
Partner
Membership No.: 076396

Raakesh B Kulwal
Raakesh B Kulwal
Chairman
& Managing Director
DIN: 00615150

Jinko Devi Koolwal
Jinko Devi Koolwal
Director
DIN: 02531975

Infan Naqvi
Infan Naqvi
Chief Financial Officer
PAN – ABZPN5732G

Shilpi Gupta
Shilpi Gupta
Company Secretary
Membership No: A57712

Place: Jaipur
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