

**10<sup>TH</sup> AUDIT REPORT**  
**OF**  
**LAKSHYA POWERTECH PRIVATE LIMITED**

**FY 2021-22**

**AY 2022-23**

**CIN: U74900GJ2012PTC071218**

**-: REGISTERED OFFICE: -**

**A-201, SAKSHAT APARTMENT,  
NR. NANDISHWAR MAHADEV TEMPLE,  
VEJALPUR, AHMEDABAD – 380051  
GUJARAT, INDIA**



**AUDITORS: -**

**B.K. CHAVDA & COMPANY**  
**CHARTERED ACCOUNTANTS**



**LAKSHYA POWERTECH PVT LTD**

Regd. Office: A-201, Sakshat Apartment, Nr. Nandishwar Mahadev Temple, Vejalpur, Ahmedabad

Email: rajesh.anne@lakshypowertech.com

CIN: U74900GJ2012PTC071218

NOTICE is hereby given that the Annual General Meeting of the Members of the Company will be held on **Tuesday**, the **30<sup>TH</sup>** day of **September, 2022** at **11:00 a.m.** at the registered office of the Company at A-201, Sakshat Appartment, Nr. Nandishwar Mahadev Temple, Vejalpur, Ahmedabad – 380051, to transact the following business;

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2022 and the Audited Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To Ratify the appointment of **M/s B K Chavda and Company**, Chartered Accountant, **Ahmedabad**, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next three Annual General Meeting and to fix their remuneration and to pass the following resolution:

“RESOLVED THAT B K Chavda and Company., Chartered Accountants, Ahmedabad be and is hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of AGM for the F.Y. 2023-24 to audit the Accounts of the Company for next two years and Board of Directors be authorized to fix their remuneration.”.

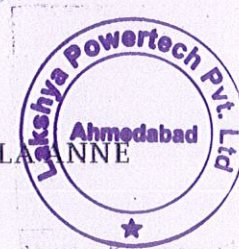
For and on behalf of the Board

*Rajesh*

RAJESH GOPALANNE

Director

DIN : 052954345



Date: 05-09-2022

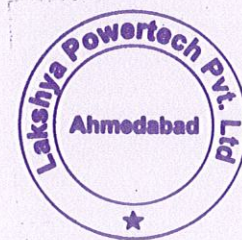
PLACE: Ahmedabad

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.



2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Share Holders are requested to intimate immediately to the Company about the mandate and the change of address, if any.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the Special Business to be transacted at the meeting, is annexed hereto.





**DIRECTORS' REPORT**

To  
The Members of  
**Lakshya Powertech Pvt. Ltd.**

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2022.

**1. FINANCIAL RESULTS**

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

PARTICULARS	(Rs. In lacs)	
	2021-22	2020-21
Total Income	3281.98	2660.87
Profit Before Taxation	162.68	111.23
Less: Provision for Taxation		
1. Current Tax	47.63	33.00
2. MAT Credit entitlement		
3. Deferred Tax	(2.05)	(1.58)
4. Earlier Years' Tax		
Profit After Taxation	117.10	79.82

**2. DIVIDEND**

Looking to the future requirement of funds in the business, your directors do not recommend any dividend for the current financial year.

**3. RESERVES**

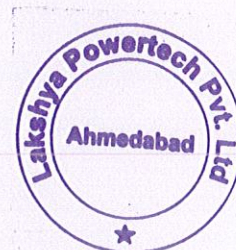
The Board does not propose to transfer any amount to the reserves.

**4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

The Sale of the Company has been increased 23.11% from last financial Year (2021-22 Rs. 327518439/- , 2020-21 Rs 266020939 /-). Your directors are hopeful to get better results in the upcoming years.

**5. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the year Company has not commenced any additional Business.





**6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no Material changes and commitment has occurred subsequent to the close of the financial year of the Company and the date of the report which could affect financial position of the Company.

**7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.**

There are no materials orders passed by the Regulators, Courts, and tribunals impacting going concern status Company's operation in future.

**8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

Your Company has strong Internal Controls and Management systems. These systems enable the Company to comply with Internal Company policies, procedures, standard guidelines and local laws to help protect Company's Assets and Confidential information against financial losses and unauthorized use.

**9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Ventures and Associate Concerns.

**10. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.**

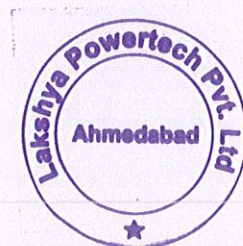
Since the Company does not have any Subsidiary / Joint Ventures / Associate Concerns, No financial position of such concern(s) are required to be included in the financial statement .

**11. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**12. STATUTORY AUDITORS**

Name of the statutory auditors of the Company:  
B K Chavda and Company,  
Address: 501, Rajavi Complex,  
Opp Maninagar Police Station,





Maninagar, Ahmedabad.

The Board recommends to the shareholders, the re-appointment **Mr. Mazahir Chahwala**, Chartered Accountants as statutory auditors of the Company for a period of 2 years for the financial year 2022-23.

### **13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

The Auditors' Report to the Shareholders does not contain any qualification. There were no reservations or adverse remarks made by the Auditors in their report. The provisions relating to Secretarial Audit Report is not applicable to the Company.

### **14. SHARE CAPITAL**

#### **A) Issue of equity shares with differential rights.**

The Company has not issued any equity shares with differential rights during the year under review.

#### **B) Issue of sweat equity shares**

The Company has not issued any Sweat Equity Shares during the year under review.

#### **C) Issue of employee stock options**

The Company has not provided any Stock Option Scheme to the employees.

#### **D) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**

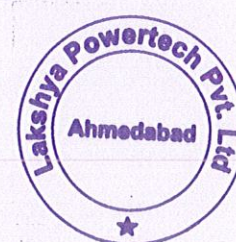
The Company has not bought back or provided for buyback of any of its securities during the year under review.

#### **E) Issue of Bonus Shares**

No Bonus Shares were issued during the year under review.

### **15. EXTRACT OF THE ANNUAL RETURN**

The extract of the annual return in Form No. MGT- 9 will be tabled at the Board Meeting the same is attached as **Annexure-A**.





**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**Conservation of energy and technology absorption:**

Information pursuant to clause (m) sub-section (3) of section 134 of The Companies Act, 2013 read with the Companies (Accounts ) Rules, 2014 and forming part of this report are given in the **Annexure B**.

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows: Nil

**17. CORPORATE SOCIAL RESPONSIBILITY (CSR) (APPLICABLE TO EVERY COMPANY HAVING NET WORTH OF RUPEES FIVE HUNDRED CRORES OR MORE, OR TURNOVER OF RUPEES ONE THOUSAND CRORES OR MORE OR A NET PROFIT OF RUPEES FIVE CRORES OR MORE DURING ANYFINANCIAL YEAR)**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

**18. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

There being no change in directorship during the year under review.

**19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

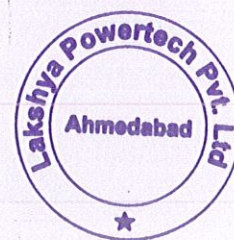
There were 05 (Five) Board Meetings held on 30/06/2021, 26/09/2021, 20/12/2021, 31/12/2021 & 31/03/2022 during the financial year 2021-22.

**20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

There were loans and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review. The details of loan given and investments are disclosed in the notes to the financial statement of the Company. There was no guarantee given by the Company during the year.

**21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There was a contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013. Annexure C





**22. VIGIL MECHANISM:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, relating to vigil mechanism is not applicable to the Company

**23. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Board is of the opinion that there is no risk element exist which adversely affect the business of the company and therefore, Company has not develop Risk Management Policy.

**24. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement: –

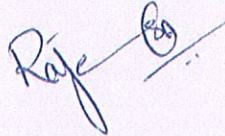
- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.






**25. ACKNOWLEDGEMENTS:**

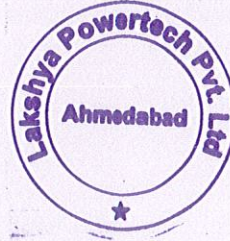
The Directors thank the Bankers, State Bank of India, and the concerned authorities of the Government for their co-operation, and also record their appreciation for the efforts put in by the employees.



**RAJESH GOPALA ANNE**  
Director  
(DIN: 05294345)



**PRIYA BANDHAVI ANNE**  
Director  
(DIN: 05294344)





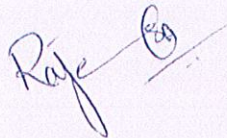
**ANNEXURE - B**

**A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

- a. **The Steps taken or impact on conservation of energy:-**  
The Company attaches a great deal of importance to energy conservation. Efforts to conserve Energy continued during the year through timely preventive maintenance and inspection of major plant and machinery.
- b. **The steps taken by the Company for utilizing alternate sources of energy**  
No step is taken to utilize alternate sources of energy.
- c. **The Capital investment on energy conservation equipments**  
No Capital investments are planned at this stage.

**B. TECHNOLOGY ABSORPTION**

- i. **Efforts made towards technology absorption:**  
We are continuously upgrading our R& D capabilities and are adopting the technology developed by others and brought in by us.
- ii. **The benefits derived like product improvement, cost reduction, product development or import substitution**  
Cost reduction is a ongoing process and Company is not dependent on any imported materials.
- iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Nil**
- (a) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil
- iv. **The expenditure incurred on Research and Development**  
The Company has incurred R &D expenses as and when required.



RAJESH GOPALA ANNE  
Director  
(DIN: 05294345)



PRIYA BANDHAVI ANNE  
Director  
(DIN: 05294344)





**ANNEXURE -C**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/ arrangements/ transactions: N.A.
- (c) Duration of the contracts / arrangements/ transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board: N.A.
- (g) Amount paid as advances, if any: N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

**2. Details of material contracts or arrangement or transactions at arm's length basis: Not Applicable**

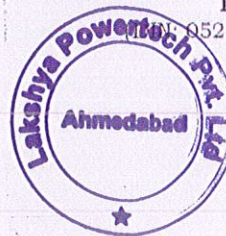
- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/ arrangements/ transactions:
- (c) Duration of the contracts / arrangements/ transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

*Rajesh*

*A. Priya*

RAJESH GOPALA ANNE  
Director  
(DIN: 05294345)

PRIYA BANDHAVI ANNE  
Director  
(DIN: 05294344)





## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
**LAKSHYA POWERTECH PRIVATE LIMITED**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **LAKSHYA POWERTECH PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with significant accounting policies and accompanying notes thereon 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, 2022, its Profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI together with the ethical requirement that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules thereunder and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Management for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and 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. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

1. As required by 'the Companies (Auditors' Report) Order, 2020 ( "the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought & obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of these books.
  - c. The Balance sheet, statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.





- d. In our opinion, the aforesaid financial statements comply with the applicable accounting standards specified in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representation received from the directors as on 31<sup>st</sup> March, 2022 taken on record by Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion, not applicable to the Company being a private limited company.
- h. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The company has disclosed impact of pending litigations on its financial position in its financial statements,
  - ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the company.
  - iv) (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





- (b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) No dividend is declared or paid during the year by the company.

Place : Ahmedabad.  
Date : 05/09/2022

For **B K Chavda and Company**  
Chartered Accountants  
Firm Regn. No. 125064W

  
**Mazahir Chahwala**  
**PARTNER**  
Membership Number: 153843  
UDIN:





**"Annexure A" to the Independent Auditors' Report of even date on the Financial Statements of LAKSHAYA POWERTECH PRIVATE LIMITED.**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

1. In respect of its property, plant and equipment and intangible assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation in respect of its Property, Plant and Equipment as well as intangible assets on the basis of available information.
  - (b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) Based on our audit procedures and according to the information and explanations given to us, the title deeds of immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company.
  - (d) During the year under review, the Company has not revalued its Property, Plant and Equipment or intangible assets or both.
  - (e) No proceedings have been initiated or are pending against the Company as at 31<sup>st</sup> March, 2022 for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
2.
  - (a) Physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion, coverage and procedure of such verification is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. No discrepancies of 10% or more in aggregate for each class of inventory were noticed. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.
  - (b) In respect of working capital limits sanctioned by the Bank on the basis of security of current assets, the quarterly return or statements filed by the Company with such Banks are in agreement with the books of accounts of the Company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.





4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments made by the company and the company has not given loans, guarantees and security.
5. According to the information and explanations given to us, the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015.
6. As informed to us, the maintenance of Cost Records is not applicable as specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. In respect of statutory dues:
  - a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax and other material statutory dues in arrears as of March 31, 2022 for a period of more than six months from the date they became payable.
  - b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Forum where dispute is pending	Financial year to which Amount Relates	Nature of Dues	Amount (Rs.)
NIL			

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) There was no default in repayment of loans or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.





- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company is having no subsidiary, associates and joint ventures and therefore clause 3(ix)(e) and (f) of the order are not applicable to the Company.
10. (a) The company has not raised money by way of initial public offer or further public offer including debt instruments and term loans.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) There has been neither any fraud by the company nor any fraud on the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We are informed that no whistle blower complaint was received by the company during the year.
12. The Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) of the Order is not applicable to the Company.
13. The company being a private limited company, section 177 of the Companies Act, 2013 is not applicable and all transactions with related parties are in compliance of the provisions of section 188 of the Companies Act, 2013, the details of which have been disclosed in the financial statements as required by the applicable accounting standard.
14. (a) The company is not required to have an internal audit system as per provisions of the Companies Act 2013. However, in our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.





16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. In our opinion, no material uncertainty exists as on the date of the audit report that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The provisions related to CSR as per u/s 135 of Companies Act, 2013 is not applicable to the Company.

Place : Ahmedabad.  
Date : 05/09/2022

For **B K Chavda and Company**  
Chartered Accountants  
Firm Regn. No. 125064W

  
**Mazahir Chahwala**  
**PARTNER**

Membership Number: 153843





**"Annexure B" to the Independent Auditors' Report of even date on the Financial Statements of LAKSHAYA POWERTECH PRIVATE LIMITED.**

Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2022.

**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 **LAKSHAYA POWERTECH PRIVATE LIMITED**, ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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





Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the 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 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 has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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".

For **B K Chavda and Company**

Chartered Accountants

FRN: 125064W

  
**Mazahir Chahwala**  
**PARTNER**

Membership Number: 153843

Place : Ahmedabad.  
Date : 05/09/2022  
UDIN : 22153843ATTZQH3983





# LAKSHYA POWERTECH PRIVATE LIMITED

## BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	1000000	1000000
(b) Reserves and Surplus	2	41261160	29551036
(c) Money Received against share Warrants		-	-
		42261160	30551036
<b>(2) Share Application money Pending Allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	45611172	36412576
(b) Deferred Tax Liabilities (Net)	4	(574124)	(369098)
(c) Other Long Term Liabilities	5	-	-
(c) Long Term Provisions	6	-	-
		45037048	36043478
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	7	14881215	12199741
(b) Trade Payables	8	57026870	12365247
(c) Other Current Liabilities	9	448708	0
(d) Short-Term Provisions	10	11766205	11613802
		84122997	36178790
<b>Total Equity &amp; Liabilities :</b>		<b>171421205</b>	<b>102773303</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		9155124	5040048
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		-	-
(b) Non Current Investments	12	-	-
(c) Long term loans and advances	13	-	-
(d) Other Non Current Assets	14	102779	-
		9257903	5040048
<b>(2) Current Assets</b>			
(a) Current investments	15	-	-
(b) Inventories	16	31535430	7899777
(c) Trade receivables	17	104550601	60255640
(d) Cash and bank balances	18	887969	15201035
(e) Short-term loans and advances	19	25189303	14376804
(f) Other current assets	20	-	-
		162163302	97733255
<b>Total Assets :</b>		<b>171421205</b>	<b>102773303</b>

The accompanying notes are integral part of these financial statements

FOR B K CHAVDA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 125064W

MAZAHIR CHAHWALA  
PARTNER  
M.No. 153843

PLACE : AHMEDABAD  
DATE : 05/09/2022  
UDIN: 22153843ATTZQH3983

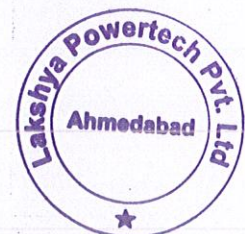


FOR & ON BEHALF OF BOARD OF DIRECTORS

*Rajiv B.*  
DIRECTOR  
DIN: 05294345

*A. J. D. Bhandari*  
DIRECTOR  
DIN: 05294344

PLACE : AHMEDABAD  
DATE : 05/09/2022





# LAKSHYA POWERTECH PRIVATE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2022

Sr. No	Particulars	Note No	31st March 2022	31st March 2021
	<b>Revenue :</b>			
I	Revenue from operations	21	327518439	266020939
II	Other Income	22	680077	66990
III	<b>Total Income (I +II)</b>		<b>328198516</b>	<b>266087928</b>
	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade and Service Expense		140721775	52576686
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	(23635653)	45665693
	Employee Benefits Expense	24	128505739	103897149
	Finance Costs	25	2926900	3187964
	Depreciation and Amortization Expense	11	2855893	1718569
	Other Expenses	26	60555766	47918329
	<b>Total Expenses (IV)</b>		<b>311930419</b>	<b>254964392</b>
V	Profit before tax (III - IV)		<b>16268097</b>	<b>11123537</b>
VI	<b>Tax expense :</b>			
	(1) Current tax	28	4,763,000	3300000
	(2) Deferred tax		(205026)	(158593)
	MAT Credit Entitlement			
VII	Profit/(Loss) for the period (V - VI)		<b>11710123</b>	<b>7982130</b>
VIII	Earnings per Equity Share: (Face Value of Rs.10/- each )			
	(1) Basic and Diluted	29	117.10	79.82

The accompanying notes are integral part of these financial statements 1 to 30

FOR B K CHAVDA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 125064W

MAZAHIR CHAHWALA  
PARTNER  
M.No. 153843

PLACE : AHMEDABAD  
DATE : 05/09/2022  
UDIN: 22153843ATTZQH3983



FOR & ON BEHALF OF BOARD OF DIRECTORS

*Rajeev B.*  
DIRECTOR  
DIN: 05294345

*A. H. J. Bantani*  
DIRECTOR  
DIN: 05294344

PLACE : AHMEDABAD  
DATE : 05/09/2022





Notes to the Financial Statements for the year ended 31st March 2022

1 Share Capital

Sr. No	Particulars	As at 31st March 2022	As at 31st March 2021
1	<b>AUTHORIZED SHARE CAPITAL</b> 10000 Equity Shares of Rs.10/- each	1000000	1000000
	<b>Total</b>	<b>1000000</b>	<b>1000000</b>
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> At the beginning period	1000000	1000000
	Add : Issued during the period	-	-
	Add : Issued on account of merger / Conversion / Bonus / Split	-	-
	Less : Forfeited Share (amount originally paid up)	-	-
	At the end of reporting period	1000000	1000000
	Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers)	-	-
	<b>Total</b>	<b>1000000</b>	<b>1000000</b>

1.1 The reconciliation of the number of shares outstanding as at March 31,2022 and March 31, 2021 is set out below :

Equity Shares	As at 31st March 2022		As at 31st March 2021	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	100000	1000000	100000	1000000
Add: Shares issued during the year	-	-	-	-
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	100000	1000000	100000	1000000

1.2 The details of shareholder holding more than 5% shares is set out below: :

Name of the shareholder	As at 31st March 2022		As at 31st March 2021	
	No of Shares	% of holding	No of Shares	% of holding
1 RAJESH ANNE	45000	45	45000	45
2 PRIYA BANDHAVI ANNE	54900	55	54900	55

1.3 The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.





**Notes to the Financial Statements for the year ended 31st March 2022**

**1.4 Details of Shares held by promoters at the end of the year**

Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	March 31, 2021	Changes	March 31, 2022		
RAJESH ANNE	45000	-	45000	45.00%	0.00%
PRIYA BANDHAVI ANNE	54900	-	54900	54.90%	0.00%
GOPALA RAO ANNE	100	-	100	0.10%	0.00%

Name of the promoter	Number of shares			% holding of equity shares	% Change during
	March 31, 2020	Changes	March 31, 2021		
RAJESH ANNE	45000	-	45000	45.00%	0.00%
PRIYA BANDHAVI ANNE	54900	-	54900	54.90%	0.00%
GOPALA RAO ANNE	100	-	100	0.10%	0.00%





Notes to the Financial Statements for the year ended 31st March 2022

2 Reserves & Surplus

Sr. No	Particulars	As at	
		31st March 2022	31st March 2021
1	<b>CAPITAL RESERVE</b>		
	As per last balance sheet	-	-
	Add : Created during the year	-	-
	Less : Transfer to General Reserve etc.	-	-
		-	-
2	<b>SECURITIES PREMIUM RESERVE</b>		
	As per last balance sheet	-	-
	Add : Amount received on conversion of FCCB/from proceeds of Right Issue/on account of merger etc.	-	-
	Less : Right Share Issue Expenses Written off	-	-
	Less: Call in Arrears	-	-
	Less : Bonus shares issued by capitalisation of share premium	-	-
		-	-
3	<b>GENERAL RESERVE</b>		
	As per last balance sheet	-	-
	Add : Transferred during the year from Profit & Loss Account	-	-
	Add : Any others	-	-
	Less : Utilised for _____	-	-
		-	-
4	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>		
	Balance as per last Financial year	29551037	21568906
	Add : Profit for the year	11710123	7982130
	Add : Addition during the year (including tranfer from reserve)	-	-
	Less : Appropriations		
	Proposed Dividend on Equity Shares	-	-
	Tax on Dividend	-	-
	Transferred to General Reserve	-	-
		41261160	29551036
	<b>Total</b>	<b>41261160</b>	<b>29551036</b>





Notes to the Financial Statements for the year ended 31st March 2022

3 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	<b>Term loans</b>				
	<b>(a) Secured</b>				
	(i) From Banks				
	- HDFC Car Loan	59111		440887	
	- HDFC Vehicle Loan	123338		363056	
	(ii) From other parties	-		-	
	<b>(b) Unsecured</b>				
	(i) From Bank				
	- ICICI Bank	3056694		-	
	- HDFC Bank	5111420		2893901	
	- IDFC First Bank	521284		1855667	
	- Indusind Bank	184800		1096990	
	(ii) From Other parties				
	- Inter Corporate Loan	8441120		7000000	
			17497767		13650501
2	<b>Loans and Advances from related parties</b>				
	(a) Secured	-		-	
	(b) Unsecured				
	- Unsecured Loan from Directors and Reletived	28113405		22762075	
			28113405		22762075
	<b>Notes:</b>				
	(i) As per Management's explanation, the above loans is for long term and rapayable over a period of three to five years from the date of balance sheet.				
3	<b>Deffered Payment Laibilities</b>				
	(a) Secured	-		-	
	(b) Unsecured	-		-	
			-		-
4	<b>Other loans and advances</b>				
	(a) Secured	-		-	
	(b) Unsecured	-		-	
			-		-
	<b>Total</b>		<b>45611172</b>		<b>36412576</b>





Notes to the Financial Statements for the year ended 31st March 2022

4 Deferred Tax Liability (Net)

Particulars		As at 31st March 2022		As at 31st March 2021	
1	<b>DEFERRED TAX LIABILITIES :</b>				
	- Related to Fixed Assets	-		-	
	- Related to Others	-		-	
	<b>TOTAL ( A )</b>		-		-
	<b>Less :</b>				
2	<b>DEFERRED TAX ASSETS :</b>				
	- Related to Fixed Assets	574124		369098	
	- Related to Others	-		-	
	<b>TOTAL ( B )</b>		574124		369098
	<b>Total ( A - B )</b>		<b>(574124)</b>		<b>(369098)</b>

5 Other Long Term Liabilities

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
	(a) Trade Payables	-		-	
	(b) Others	-		-	
	<b>Total</b>		-		-

6 Long Term Provisions

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
	<b>Provision for Employee Benefits</b>				
	(a) Provision for Leave Encashment	-		-	
	(b) Others	-		-	
	<b>Total</b>		-		-





Notes to the Financial Statements for the year ended 31st March 2022

**7 Short Term Borrowings**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
(1)	<b>Loan repayable on demand</b>				
	(a) Secured				
	(i) From banks - HDFC Bank CC Account	7294004		6926953	
	(ii) From Other Parties	-		-	
	(iii) Current maturities of secured long-term debt	7587211	14881215	5272787	12199741
(2)	<b>Loans and advances from related parties</b>				
	(a) Secured	-		-	
	(b) Unsecured	-		-	
(3)	<b>Deposits</b>				
	(a) Secured	-		-	
	(b) Unsecured	-		-	
	<b>Total</b>		<b>14881215</b>		<b>12199741</b>

**8 Trade Payables**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Due to Micro and Small enterprises	-		-	
2	Due to Others	57026870		12365247	
	<b>Total</b>		<b>57026870</b>		<b>12365247</b>



As at March 31, 2022							
Ageing for trade payable	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	-	14710259	42316611	-	-	-	57026870
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	-	<b>14710259</b>	<b>42316611</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57026870</b>

As at March 31, 2021							
Ageing for trade payable	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	-	11408944	956303	-	-	-	12365247
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	-	<b>11408944</b>	<b>956303</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12365247</b>



Notes to the Financial Statements for the year ended 31st March 2022

**9 Other Current Liabilities**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Unpaid Dividends	-		-	
2	Creditors for Capital Goods	-		-	
3	Other payables	448708		-	
	<b>Total</b>		<b>448708</b>		<b>0</b>

**10 Short Term Provisions**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	<b>Provision for employee benefits :</b>				
	- Provision for Bonus	-		-	
	- Provision for Gratuity / Leave Encashment	-		-	
			-		-
2	<b>Others :</b>				
	- Provision for Income tax (Net of Advance tax)			-	
	- Salary Payable	9222608		6404649	
	- ESIC Payable	28335		83824	
	- PF Payable	1141834		897097	
	- GST Payable	-		3547487	
	- Professional Tax Payable	21000		21350	
	- TDS Payable	1158666		185598	
	- Audit Fees Payable	30000		65000	
	- Professional & Legal Fees Payable	163762		87600	
	- Account Charges Payable	-		39699	
	- Unpaid Expense	-		281498	
	- Proposed Dividend	-		-	
			11766205		11613802
	<b>Total</b>		<b>11766205</b>		<b>11613802</b>





Notes to the Financial Statements for the year ended 31st March 2022

**11. Fixed Assets**

**TANGIBLE ASSETS :**

	Freehold Land	Office Bldging	Office Equipments	Plant and Machinerics	Computer	Furniture and Fixtures	Vehicles	TOTAL
<b>Cost of Assets</b>								
As at 1st April 2020	-	-	997026	107000	1701304	908459	3414716	7128505
Addition	-	-	927560	524890	348523	128490	790000	2719463
Disposal / Adjustments	-	-	-	-	-	-	-	-
<b>As at 31st March 2021</b>	<b>-</b>	<b>-</b>	<b>1924585</b>	<b>631890</b>	<b>2049826</b>	<b>1036949</b>	<b>4204716</b>	<b>9847967</b>
Addition	-	-	2857190	431549	729769	158896	3555175	7732579
Disposal / Adjustments	-	-	-	-	-	-	790000	790000
<b>As at 31st March 2022</b>	<b>-</b>	<b>-</b>	<b>4781775</b>	<b>1063439</b>	<b>2779595</b>	<b>1195845</b>	<b>6969891</b>	<b>16790546</b>
<b>Depreciation</b>								
As at 1st April 2020	-	-	549971	16979	1201488	236087	1084825	3089350
Charge for the year	-	-	341453	60416	383867	180749	752084	1718569
Disposal / Adjustments	-	-	-	-	-	-	-	-
<b>As at 31st March 2021</b>	<b>-</b>	<b>-</b>	<b>891424</b>	<b>77395</b>	<b>1585355</b>	<b>416836</b>	<b>1836909</b>	<b>4807919</b>
Charge for the year	-	-	1228243	144234	452293	167047	864076	2855893
Disposal / Adjustments	-	-	-	-	-	-	28389	28389
<b>As at 31st March 2022</b>	<b>-</b>	<b>-</b>	<b>2119667</b>	<b>221629</b>	<b>2037648</b>	<b>583883</b>	<b>2672596</b>	<b>7635422</b>
<b>Net Block</b>								
<b>As at 31st March 2021</b>	<b>-</b>	<b>-</b>	<b>1033161</b>	<b>554495</b>	<b>464471</b>	<b>620113</b>	<b>2367807</b>	<b>5040048</b>
<b>As at 31st March 2022</b>	<b>-</b>	<b>-</b>	<b>2662109</b>	<b>841810</b>	<b>741948</b>	<b>611963</b>	<b>4297295</b>	<b>9155124</b>





Notes to the Financial Statements for the year ended 31st March 2022

**INTANGIBLE ASSETS :**

	Goodwill	Software	Patents and Copyrights	TOTAL
<b><u>Cost of Assets</u></b>				
As at 1st April 2020	-	-	-	-
Addition	-	-	-	-
Disposal / Adjustments	-	-	-	-
<b>As at 31st March 2021</b>	-	-	-	-
Addition	-	-	-	-
Disposal / Adjustments	-	-	-	-
<b>As at 31st March 2022</b>	-	-	-	-
<b><u>Depreciation</u></b>				
As at 1st April 2020	-	-	-	-
Charge for the year	-	-	-	-
Disposal / Adjustments	-	-	-	-
<b>As at 31st March 2021</b>	-	-	-	-
Charge for the year	-	-	-	-
Disposal / Adjustments	-	-	-	-
<b>As at 31st March 2022</b>	-	-	-	-
<b><u>Net Block</u></b>				
<b>As at 31st March 2021</b>	-	-	-	-
<b>As at 31st March 2022</b>	-	-	-	-





Notes to the Financial Statements for the year ended 31st March 2022

## 12 Non Current Investments

Sr. No.	Particulars	As at		As at	
		31st March 2022		31st March 2021	
(1)	<b>Trade Investments</b>				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments		-		-
	(c) Other non-current investments (specify nature)		-		-
(2)	<b>Other Investments</b>				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments				
	In Eq. Shares of Associate Company - (Unquoted, Fully Paid up)				
	No. Of Shares				
	Curr. Yr.      Prev. Yr.				
	(c) Investment in Government and trust securities (NSC)		-		-
	(d) Investment in Partnership Firms		-		-
	(e) Other non-current investments (specify nature)		-		-
	<b>AGGREGATE</b>				
	0				
	<b>QUOTED</b>				
	0				
	<b>UNQUOTED</b>				
	0				
	<b>Total</b>		-		-

## 13 Long Term Loans and Advances

Sr. No.	Particulars	As at		As at	
		31st March 2022		31st March 2021	
	<b>Unsecured, Considered Good unless otherwise stated :</b>				
1	<b>Capital Advances</b>				
	Advance against Fixed Assets	-		-	
2	<b>Other Loans &amp; Advances</b>		-		-
	<b>Total</b>		-		-





Notes to the Financial Statements for the year ended 31st March 2022

**14 Other Non Current Assets**

Sr. No.	Particulars	As at 31st March 2022		As at 31st March 2021	
1	<b>Long Term Trade Receivables</b> Unsecured, Considered Good :		-		-
2	<b>Others</b> Bank FD for more than 12 months (Transferred from Cash & Bank Balances)		102779		-
	<b>Total</b>		<b>102779</b>		<b>-</b>

**15 Current Investments**

Sr. No.	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Investment in Mutual Fund	-		-	
2	Investment in Equity Shares	-		-	
3	Investment in Others	-		-	
	<b>AGGREGATE</b> <b>QUOTED</b> <b>UNQUOTED</b>				
	<b>Total</b>		<b>-</b>		<b>-</b>

**16 Inventories**

Sr. No.	Particulars	As at 31st March 2022		As at 31st March 2021	
	(At lower of cost or Net Realisable Value)				
1	Raw Material	-		-	
2	Stores & Spares	-		-	
3	Work In Progress	13914580		-	
4	Finished Goods/ Stock-in-Trade	17620850		7899777	
	<b>Total</b>		<b>31535430</b>		<b>7899777</b>





Notes to the Financial Statements for the year ended 31st March 2022

17 Trade Receivables

Sr. No.	Particulars	As at	
		31st March 2022	31st March 2021
(1)	<b>Outstanding for not more than six months</b>		
	(a) Secured, considered good	88182634	52756411
	(b) Unsecured, considered good	-	-
	(c) Others considered doubtful	-	-
	Less : (d) Allowance for bad and doubtful Debts	-	-
		88182634	52756411
(2)	<b>Outstanding for more than six months</b>		
	(a) Secured, considered good	11252346	5666807
	(b) Unsecured, considered good	-	-
	(c) Others considered doubtful	5115621	1832421
	Less : (d) Allowance for bad and doubtful Debts	-	-
		16367966	7499228
	<b>Total</b>	<b>104550601</b>	<b>60255640</b>



As at March 31, 2022							
Ageing for trade receivable	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Undisputed trade receivables</b>							
Considered good	15989536	72193098	6843413	3653632	755300	0	99434980
Credit impaired	0	0	0	0	0	0	0
<b>Disputed trade receivables</b>							
Considered good	0	0	0	0	0	0	0
Credit impaired	0	0	0	5115621	0	0	5115621
<b>Balance at the end of the year</b>	<b>15989536</b>	<b>72193098</b>	<b>6843413</b>	<b>8769253</b>	<b>755300</b>	<b>0</b>	<b>104550601</b>

As at March 31, 2021							
Ageing for trade receivable	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Undisputed trade receivables</b>							
Considered good	31160963	23311163	5783514	0	0	0	60255640
Credit impaired	0	0	0	0	0	0	0
<b>Disputed trade receivables</b>							
Considered good	0	0	0	0	0	0	0
Credit impaired	0	0	0	0	0	0	0
<b>Balance at the end of the year</b>	<b>31160963</b>	<b>23311163</b>	<b>5783514</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60255640</b>



Notes to the Financial Statements for the year ended 31st March 2022

18 Cash & Bank balances

Sr. No	Particulars	As at		As at	
		31st March 2022		31st March 2021	
1	<b>Cash &amp; Cash Equivalent</b>				
	(a) Balances with Schedule Banks	812379		12194402	
	(b) Cash on Hand	75590		1019882	
	(c) Others				
	- In Fixed Deposits for less than 3 months	-		-	
	<b>Sub Total ( A )</b>		887969		13214284
2	<b>Other Bank Balances</b>				
	(a) Fixed Deposits with Banks				
	- Bank FD for less than 12 months	-		1986751	
	- Bank FD for more than 12 months	-		-	
	(b) Earmarked balances with banks (Unpaid Dividend)	-		-	
		-		1986751	
	Less : Bank FD for more than 12 months transferred to Non Current Assets	-		-	
	<b>Sub Total ( B )</b>		-		1986751
	<b>Total</b>	-	887969	-	15201035





Notes to the Financial Statements for the year ended 31st March 2022

**19 Short Terms Loans and Advances**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
	<b>Unsecured, Considered Good :</b>				
1	Loans & Advances to related parties :		-		-
2	Loans & Advances to Others :				
	Advance Recoverable in cash or in kind or for value to be received.	-		-	
	<u>Sundry Deposits and Advances</u>				
	VAT Deposit	25000		45000	
	Rent Deposit	696000		922500	
	Other Deposites	1171983		-	
	Loans and Advances to Staff	72506		-	
	<u>Balance with Statutory / Government authority</u>				
	TDS Receivables	16875332		13409304	
	GST Receivable	6348482		-	
			25189303		14376804
	<b>Total</b>		<b>25189303</b>		<b>14376804</b>

**20 Other Current assets**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Interest Accrued on Investments	-		-	
2	Advance Premium on Forward Contracts	-		-	
	<b>Total</b>		-		-





Profit & Loss for the year ended 31st March 2022

21 Revenue from Operations

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	<b>Revenue from Operations</b>				
	<b>Sale of Products</b>				
	Domestic Sales	81174057		82146885	
	Export Sales	-	81174057	-	82146885
	<b>Sale of Service &amp; Constuction Work</b>				
	Domestic Sales	246344383		183874053	
	Export Sales	-	246344383	-	183874053
2	<b>Other Operating Revenue</b>	-		-	
			-		-
	<b>Total</b>		<b>327518439</b>		<b>266020939</b>

22 Other Income

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Interest Income		50306		54173
2	Dividend Income		-		-
3	<b>Other Non Operating Income</b>				
	- Interest on Income Tax Refund	608597		-	
	- Foreign Exhcnage Profit	-		-	
	- Excess Provision of Income Tax	-		-	
	- Other Income	21174		12817	
			629771		12817
	<b>Total</b>		<b>680077</b>		<b>66990</b>





Profit & Loss for the year ended 31st March 2022

**23 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Finished Goods: Opening Stock Less : Closing Stock	- -	-	- -	-
2	Work in Progress Opening Stock Less : Closing Stock	- 13914580	(13914580)	51265470 -	51265470
3	Stock-in-Trade: Opening Stock Less : Closing Stock	7899777 17620850	(9721073)	2300000 7899777	(5599777)
<b>Total</b>			<b>(23635653)</b>		<b>45665693</b>

**24 Employee Benefits Expense**

Sr. No	Particulars	As at 31st March 2022		As at 31st March 2021	
1	Salaries, Wages and Bonus	110020763		90742574	
2	Directors Remuneration Exps.	3719400		3660000	
3	Providend Fund, ESIC Contribution	6772526		6316706	
4	Staff Welfare Expenses	7993050	128505739	3177869	103897149
<b>Total</b>			<b>128505739</b>		<b>103897149</b>





**Profit & Loss for the year ended 31st March 2022**

**25 Finance Costs**

Sr. No	Particulars	As at		As at	
		31st March 2022		31st March 2021	
1	Interest Expense				
	- For Short Term Borrowings	604349		747433	
	- For Term Loan	1671513		2003169	
	- For Others	15406		-	
	- Applicable net gain / loss on foreign currency transactions and translation	-		-	
		2291268		2750602	
2	Other Borrowing Costs		635632		437362
	<b>Total</b>		<b>2926900</b>		<b>3187964</b>

**26 Other Expenses**

Sr. No	Particulars	As at		As at	
		31st March 2022		31st March 2021	
1	<b>Direct Expenses</b>				
	Power and Fuel	570251		350446	
	Agency Charge for Import	394301		265780	
	Conveyance & Travelling Expense	5631392		2536137	
	Custom Duty Expense	1381232		661176	
	Freight Inward, Octroi, Coolies and Cartages	3830439		607073	
	Loading and Shifting Expense	454553		493326	
	Machinery Hiring Charges	2831060		-	
	Lodging, Boarding & Rent Expense at Site	12678541		11907926	
	Site Expense	2494063		1584058	
	Consumable and Tools Expenses	368872		-	
	Vehicle & Machine Hiring Expense	6179932		6888122	
	Safety Material Expense	1466319		1091267	
	Repairs and Maintenance				
	- To Buildings	-		-	
	- To Plant and Machineries	-		-	
	- To Other Assets	-	38280953	-	26385312





**Profit & Loss for the year ended 31st March 2022**

2	<b>Selling and Distribution Expenses</b>			
	Freight Outward, Coolies and Cartages	-	-	
	Traveling Expenses			
	- For Directors and Staff	-	-	
	- Guests	-	-	
	Sales Promotion	-	-	
	Advertisement Expenses	-	-	
3	<b>Administrative Expenses</b>			
	Insurance Premium Expenses	1225631	208111	
	Payments to Auditors			
	- As Auditor			
	Statutory Audit fees	30000	30000	
	- For Other Services (Income Tax)	-	-	
	Accounting Expense	120000	913185	
	Brokerage and Commission Expense	70800	89000	
	Computer Repairing Expense	149425	140671	
	Convayance Expense	-	180657	
	Donation Expense	231000	250000	
	Festival Celebration Expense	170119	91466	
	Foreign Exchange Loss	-	70865	
	Cleaning and House Keeping Expense	-	184500	
	Gift Expense	129266	42000	
	Income Tax Expense	-	5456	
	Interest on VAT, Service Tax & Professional Tax	23053	732373	
	Late Fees for GST	-	36250	
	Labour, Consultancy and Jobwork Expense	9050925	10468251	
	Office Exp.	253918	174278	
	Municipal Tax	-	3155	
	Packing & Forwarding Charges	31975	-	
	Penalty Exp.	-	67784	
	Postage and Courier Expense	102400	73207	
	Printing & stationary exp.	569829	327226	
	Professional & Legal Fees	953009	846000	
	Professional Tax Expense	3127	4243	
	Rent Expense	4583565	4238122	
	Repair and Maintenance Expense	1058371	438852	
	ROC Fees Payment	-	3055	
	Subscription and Membership Fees	854820	210769	
	Software Exp	1269936	186299	
	Telephone & Internet Exp.	167152	102132	
	Uniform Expense	628000	1414000	
	Foreign Exchange Loss / Profit	315869	-	
	Loss on Vehicle Sale	211611	-	
	Miscellaneous Expense	71011	1112	
		22274812		21533017
	<b>Total</b>	<b>60555766</b>		<b>47918329</b>





Profit & Loss for the year ended 31st March 2022

28 Current Tax

Sr. No	Particulars	As at 31st March 2022	As at 31st March 2021
1	Current Tax	4763000	3300000
	<b>Total</b>	<b>4763000</b>	<b>3300000</b>

29 Earning Per Share

Sr. No	Particulars		As at 31st March 2022	As at 31st March 2021
1	Profit attributable to the Equity Shareholders	A	11710123	7982130
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	100000	100000
3	Nominal value of Equity Shares (Rs.)		10	10
4	Basic/Diluted Earnings per Share (Rs.)	A / B	117.10	79.82





## NOTES – 31

### NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2022.

1. The balances in respect of Sundry Debtors, Current Liabilities and Loans and Advances are subject to confirmations and reconciliations, if any.
2. In the opinion of Board of Directors & Management, the Current Assets, Current Liabilities, Unsecured Loans, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business. The Provisions for depreciation and for all known liabilities are adequate and not in excess of amounts reasonably necessary.
3. In the opinion of Management, the Company is mainly engaged in a single segment of trading & development of software goods & its related services, therefore there are no separate reportable segments as per Accounting Standard (AS-17) "Segment Reporting".
4. **Related Party Transaction**

As per Accounting Standard 18 on "Related Party Disclosures", disclosure of transactions with related parties as defined therein are given below.

#### **List of related parties with whom transactions have taken place and Nature of relationship.**

– a) Key Management Personnel ("KMP"):-

- Rajesh Anne – Director
- Priya Bandhavi Anne – Director
- Gopala Rao Anne – Director

– b) Relatives of Director

- Ratna Sudhakar Anne – Director's Brother
- Kanak Durga Anne – Director's Brother's Wife





## Transactions with Related Parties during the year

### a) Details of Related party transaction with "KMP":

Nature of Transaction	Volume (Rs. in Lacs)	
	2021-22	2020-21
Directors Salary	37.19	36.60
Interest	0.00	0.00
Loan Received	61.61	34.65
Loan Payment	8.10	31.86

### b) Details of Related party transaction with Relatives of Director

Nature of Transaction	Volume (Rs. in Lacs)	
	2021-22	2020-21
Salary	22.05	19.80
Loan Received	0	0.00
Loan Payment	0	0.00

## 5. Employee Benefits

### Defined Benefit Plan

No Liability in respect of present future liability of gratuity has been ascertained and provided in the accounts (Previous Year-Not ascertained and provided for).

## 6. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2021 is provided as under for to the extent the Company has received information from the "Suppliers" regarding their status under the said Act.





Sr. No.	Particulars	As At March 31, 2022	As At March 31, 2021
I	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act):		
	Principal amount due to Micro, and Small Enterprises	0.00	0.00
	Interest due there on	0.00	0.00
II	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	0.00	0.00
III	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	0.00	0.00
IV	The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.00	0.00
V	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises.	0.00	0.00

**Note:** The Company had sought confirmation from its vendors on their status under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from October 02, 2006. Dues to Micro and Small Enterprises have been determined to the extent confirmation received by the Company from its vendors. This has been relied upon by the Auditors.

7. Expenditure incurred on employees who were in receipt of not less than Rs.60,00,000/- per year if employed throughout the year and Rs.5,00,000/- per month if employed for a part of a month is NIL.
8. The Company has not received information from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosure, if any, relating to amount unpaid as at the Balance Sheet date together with interest paid or payable as per the requirement under the said act, have not been made.
9. In the opinion of the Board, Current Assets, Loans and Advances have a value of the least equal to the amounts shown in the Balance Sheet, if

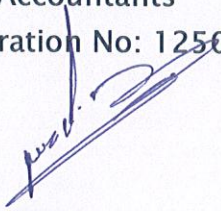




realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

10. Previous year's figures have been regrouped, reclassified & rearranged wherever considered necessary.

For, B K Chavda and Company.  
Chartered Accountants  
Firm Registration No: 125064W



Mazahir Chahwala  
Partner  
Membership No.: 153843  
Place: Ahmedabad  
Date: 05/09/2022  
UDIN: 22153843ATTZQH3983

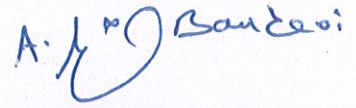


For and on Behalf of Board of Directors



Director  
DIN: 05294345

Place: Ahmedabad  
Date: 05/09/2022



Director  
DIN: 05294344





## Note: 1

### SIGNIFICANT ACCOUNTING POLICIES

#### 1) Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention, in accordance with the Generally Accepted Accounting Principles and provisions of the Companies Act, 2013. All Income and Expenditure having material bearing on the Financial Statements are recognized on accrual basis.

#### 2) Use of Estimates

The preparation of the Financial Statements in conformity with the Generally Accepted Accounting Policies requires the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of Contingent Liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of financial statements. Difference between the actual results and estimates are recognized in the period in which the result are known / materialized.

#### 3) Revenue Recognition

- Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned / incurred, except those with significant uncertainties.
- Dividend Income from investment is recognized as and when received.
- Other Incomes are accounted for on accrual basis except when the recovery is uncertain, it is accounted for on receipt basis.
- Claims made against the Company are evaluated as to type thereof, period for which they are outstanding and appropriate provisions made. Claims are stated net of recoveries from insurance companies and others.
- Administrative and other expenses are stated net of recoveries, wherever applicable.





#### 4) Fixed Assets

Fixed Assets acquired by the Company are reported at acquisition value, with deductions for accumulated depreciation and impairment of losses, if any. The acquisition value indicates the purchase price and expenses directly attributable to assets to bring it to the office and in the working condition for its intended use.

#### 5) Depreciation

Depreciation on fixed assets is calculated on a written down value using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013.

#### 6) Investments

Investments are accounted at the cost plus brokerage and stamp charges. Long term Investments are valued at cost less provision for diminution other than temporary, in value, if any. Profit or Losses on investment are calculated on FIFO Method and are accounted as and when realized.

#### 7) Inventories

Inventories at year-end are valued at the Lower of the Cost Price or Net Realizable Value after providing for obsolescence and other losses, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and costs incurred in bringing them to their respective present location and condition.

#### 8) Miscellaneous Expenditure

Preliminary expenses and pre-operative expenses are amortized over a period of 10 years.

#### 9) Retirement Benefits

- a) Short term employee benefits are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss of the year for which the related service is rendered.





**b) Defined Contribution Plan**

Monthly contribution to the provident fund which is under defined contribution schemes are charged to Statement of Profit & Loss and deposited with the provident fund authorities on monthly basis.

**Defined Benefit Plans:**

Gratuities to employees are covered under the employees' group gratuity schemes and the premium is paid on the basis of their actuarial valuation using the projected unit credit method. Actuarial gain and losses arising on such valuation are recognized immediately in the Statement of Profit and Loss. Any short falls in case of premature resignation or termination to the extent not reimbursed by LIC is being absorbed in the year of payment.

c) Termination benefits are charged to the Statement of Profit and Loss in the year of accrual.

**10) Taxes on Income**

- a. Current tax is determined on the basis of amount of tax payable on taxable income for the year.
- b. In accordance with Accounting Standard 22 "Accounting For Taxes on Income" issued by The Institute of Chartered Accountants of India, amount of the deferred tax for timing difference between the book and tax profits for the year is accounted for using the tax rate and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred Tax Assets arising from temporary timing differences are recognized to the extent there is reasonable certainty that the assets can be realized in future.

**11) Expenses**

Material known liabilities are provided for & on the basis of available information / estimates with the Management.

Whenever external evidences for expenses are not available, Management has taken care of proper authorization of such expenses.





## 12) Transaction in Foreign Currency

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transaction. Foreign currency monetary assets and liabilities are reported using the closing rate. Gains and losses arising on account of difference in foreign exchange rates on settlement/translation of monetary assets and liabilities on the closing date are recognized in the Statement of Profit and Loss.

## 13) Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an expense, it is deducted from related expenses.

## 14) Borrowing Cost

Borrowing costs are recognized in the period to which they relate, regardless of how the funds have been utilized, except where they relate to the financing of new assets requiring a substantial period of time for their intended future use. Interest on borrowings, if any, is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to the appropriate borrowings.

## 15) Earnings per Share

Basic earnings per share is computed and disclosed using the weighted average number of common shares outstanding during the year. Dilutive earning per share is computed and disclosed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except when the results would be anti-dilutive.



## 16) Impairments of Assets

At each Balance Sheet date, the Company reviews the carrying amount of fixed assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment of loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the assets to their present value.

## 17) Provisions and Contingent Liabilities

Provisions involving substantial degrees of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

