

**SOUTHERN INFOSYS LIMITED**  
**Balance Sheet as at 31st March 2021**

Particulars		Note No.	As at 31st March 2021	As at 31st March 2020
I	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1	46,06,467	84,725
	(b) Other Intangible Assets		-	-
	(c) Financial Assets			
	(i) Investments	2	1,70,56,239	1,98,78,239
	(ii) Loans	3	1,78,61,370	2,13,19,821
	(d) Deferred Tax Asset (Net)	4	9,130	1,24,657
	(e) Other Non Current Assets	5	52,77,734	34,80,662
2	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade receivables	6	16,39,57,318	21,32,05,555
	(ii) Cash and Cash Equivalents	7	32,71,377	32,21,480
	(iii) Other Bank Balances	8	5,99,206	5,52,665
	(iv) Other Financial Assets	9	1,05,75,266	65,90,948
	(b) Other Current Assets	10	1,53,152	8,400
	<b>TOTAL ASSETS</b>		<b>22,33,67,259</b>	<b>26,84,67,152</b>
II	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share Capital	11	5,02,00,000	5,02,00,000
	(b) Other Equity		18,41,799	10,94,654
2	<b>Liabilities</b>			
	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	12	17,08,65,071	21,43,91,030
	(ii) Other Financial Liabilities	13	15,000	15,000
	(b) Other Current Liabilities	14	4,45,389	27,66,468
	(c) Provisions	15	-	-
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,33,67,259</b>	<b>26,84,67,152</b>

Notes forming part of the financial statements 1 to 34

This is the Balance Sheet referred to in our report of even date

**For V Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No. 000262N

**Siddharth Sharma**  
Director  
DIN: 07401382

**Deepali Sharma**  
Director  
DIN: 05133382

**Vishwas Tripathi**

(Partner)

Membership No. 086897

Place : New Delhi

Date : 30th June 2021

**Indu Attri**  
Chief Finance Officer

**Kriti Bareja**  
Company Secretary

**SOUTHERN INFOSYS LIMITED**  
**Statement of Profit and Loss for the period ended 31st March 2021**

Particulars		Note No.	For the year ending 31st March 2021	For the year ending 31st March 2020
I.	Revenue From Operations	16	15,76,91,824	19,04,35,105
II.	Other Income	17	36,58,174	25,08,987
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>16,13,49,998</b>	<b>19,29,44,092</b>
IV.	<b>Expenses:</b>			
	Purchase of Stock-in Trade	18	15,28,63,074	18,65,80,459
	Employee Benefits Expense	19	26,92,500	26,24,984
	Finance Costs	20	1,07,562	13,148
	Depreciation and Amortization Expense	1	2,93,258	17,354
	Other Expenses	21	42,89,396	26,97,986
	Total Expenses		<b>16,02,45,790</b>	<b>19,19,33,931</b>
<b>V.</b>	<b>Profit before exceptional items and tax (III-IV)</b>		<b>11,04,207</b>	<b>10,10,161</b>
VI.	Exceptional Item		-	-
<b>VII.</b>	<b>Profit before tax (V - VI)</b>		<b>11,04,207</b>	<b>10,10,161</b>
VIII.	Tax expense:			
	(1) Current Tax		2,41,534	2,34,225
	(2) Deferred Tax		1,15,528	(2,11,679)
	(3) MAT Credit Entitlement		-	-
<b>IX</b>	<b>Profit (Loss) for the period</b>		<b>7,47,146</b>	<b>9,87,616</b>
X	<b>Other Comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss		-	-
	- Remeasurements of the defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>XI</b>	<b>Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and Other Comprehensive Income for the period)</b>		<b>7,47,146</b>	<b>9,87,616</b>
<b>XII</b>	Earnings per equity share (for continuing operation):			
	- Basic		0.15	0.20
	- Diluted		0.15	0.20

Notes forming part of the financial statements 1 to 34

This is the Balance Sheet referred to in our report of even date

For V. Sahai Tripathi & Co.

Chartered Accountants

Firm Regn No. 000262N

Siddharth Sharma

Director

DIN: 07401382

Deepali Sharma

Director

DIN: 05133382

Vishwas Tripathi (Partner)

Membership No. 086897

Indu Attri

Chief Finance Officer

Kriti Bareja

Company Secretary

Place : New Delhi

Date : 30th June 2021

**SOUTHERN INFOSYS LIMITED**  
**Statement of Cash Flow for the period ended 31st March 2021**

Particulars		31.03.2021		31.03.2020	
(A)	Cash flow from Operating Activities				
	Profit Before Tax	11,04,207		10,10,161	
Add:	(Profit)/Loss on sale of Assets - Net				
	Depreciation	2,93,258		17,354	
	Interest Paid			-	
	Interest Received	(34,00,170)		(23,43,039)	
	Reversal of Provision of Loss Allowence			-	
	(Profit)/Loss on sale of Investments	(2,79,614)		(15,105)	
	Profit on Fair Valuation of Investment	21,614		(1,50,188)	
	Operating Profits before working Capital changes	(22,60,705)		(14,80,817)	
	Adjustment for:				
	Change in Trade Payable	(4,35,25,960)		5,87,08,012	
	Change in Other Liabilities	-23,21,079		16,06,028	
	Change in Trade receivable	4,92,48,237		(11,68,96,692)	
	Change in Loans & Advances	34,58,451		97,98,162	
	Change in Non Current Assets	-		(33,65,637)	
	Change in Current Assets	-41,29,070		9,96,02,820	
	Cash generation from Operating Activities	4,69,873		4,79,71,877	
Less:	Income Tax	2038606		3,20,649	
	Net Cash generation from Operating Activities		(15,68,733)		4,76,51,228
(B)	Cash Flow from Investing Activities				
	Interest Income	34,00,170		23,43,039	
	Purchase of Fixed Assets	(48,15,000)			
	Purchase of Investment	(1,76,85,000)		(60,41,000)	
	Sale of Investment	2,07,65,000		4,00,000	
	Movement in Deposits	(46,541)		(52,665)	
	Net Cash from Investing Activities		16,18,629		(33,50,626)
(C)	Cash Flow from Financing Activities				
	Interest Paid			-	
	Net Cash flow in Financing Activities				-
	Net increase decrease in cash & cash equivalents		49,896		4,43,00,602
	Cash and Cash equivalents (Opening Balance)		32,21,480		1,07,471
	Cash and Cash equivalents (Closing Balance)		32,71,376		32,21,480

**Notes forming part of the financial statements**

This is the Balance Sheet referred to in our report of even date

**For V. Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No.  
000262N

**Siddharth Sharma**  
Director  
DIN: 07401382

**Deepali Sharma**  
Director  
DIN: 05133382

**Vishwas Tripathi**

(Partner)

Membership No.  
086897

Place : New Delhi  
Date : 30th June 2021

**Indu Attri**                      **Kriti Bareja**  
Chief Finance Officer      Company Secretary

**SOUTHERN INFOSYS LIMITED**  
**Statement of Change in Equity as at March 31, 2021**

**Equity Share Capital**

Particulars	As at 31st March 2021	As at 31st March 2020
Balance at the beginning of the reporting period;	5,02,00,000	5,02,00,000
Changes in equity share capital during the year;	-	-
<b>Balance at the end of the reporting period</b>	<b>5,02,00,000</b>	<b>5,02,00,000</b>

**Other Equity**

Other equity consist of following :

Particulars	Reserves and Surplus			Total
	Share Application Pending Attotment	General Reserve	Retained Earnings	
<b>Balance as at 01.04.2019</b>	-	-	<b>1,07,038</b>	<b>1,07,038</b>
Profit/(loss) for the year	-	-	9,87,616	9,87,616
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-	-	-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
Issue of Equity Share Capital	-	-	-	-
<b>Balance at the end of the 31.03.2020</b>	-	-	<b>10,94,654</b>	<b>10,94,654</b>
Profit/(loss) for the year	-	-	7,47,146	7,47,146
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-	-	-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
Issue of Equity Share Capital	-	-	-	-
<b>Balance at the end of the 31.03.2021</b>	-	-	<b>18,41,799</b>	<b>18,41,799</b>

Notes forming part of the financial statements

1 to 34

This is the Balance Sheet referred to in our report of even date

**For V. Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No. 000262N

**Siddharth Sharma**

**Director**

DIN: 07401382

**Deepali Sharma**

**Director**

DIN: 05133382

**Vishwas Tripathi**

**(Partner)**

**Membership No. 086897**

Place : New Delhi

Date: 30th June 2021

**Indu Attri**  
**Chief Finance Officer**

**Kriti Bareja**  
**Company Secretary**

### 1 Property, Plant and Equipment

Property, plant and equipment consist of the following :

Particulars	Computers And Data Processing Units	Data processing machine	Data processing machine	Air conditioner	Furniture & fixture	Software	Vehicle	Total
<b>Year ended 31 March 2021</b>								
<i>Opening gross carrying amount</i>	<i>11,372</i>	<i>3,691</i>	<i>23,674</i>	<i>5,000</i>	<i>1,64,636</i>	<i>11,467</i>	-	<i>2,19,840</i>
Additions	-	-	-	-	-	-	<i>48,15,000</i>	<i>48,15,000</i>
Disposals	-	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2021</i>	<i>11,372</i>	<i>3,691</i>	<i>23,674</i>	<i>5,000</i>	<i>1,64,636</i>	<i>11,467</i>	<i>48,15,000</i>	<i>50,34,840</i>
Opening accumulated depreciation	4,647	-16,309	20,458	-	1,14,852	11,467	-	1,35,115
Depreciation charged during the year 2020-2021	-	-	-	-	8,151	-	2,85,107	2,93,258
Depreciation on Disposals	-	-	-	-	-	-	-	-
Adjustment/ Reversal of Depreciation	-	-	-	-	-	-	-	-
<i>Closing accumulated depreciation as at March 31, 2021</i>	<i>4,647</i>	<i>(16,309)</i>	<i>20,458</i>	-	<i>1,23,003</i>	<i>11,467</i>	<i>2,85,107</i>	<i>4,28,373</i>
<b>Net carrying amount as at March 31, 2021</b>	<b>6,725</b>	<b>20,000</b>	<b>3,216</b>	<b>5,000</b>	<b>41,633</b>	-	<b>45,29,893</b>	<b>46,06,467</b>
<b>Year ended 31 March 2020</b>								
<i>Opening gross carrying amount</i>	<i>11,372</i>	<i>3,691</i>	<i>23,674</i>	<i>5,000</i>	<i>1,64,636</i>	<i>11,467</i>	-	<i>2,19,840</i>
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2020</i>	<i>11,372</i>	<i>3,691</i>	<i>23,674</i>	<i>5,000</i>	<i>1,64,636</i>	<i>11,467</i>	-	<i>2,19,840</i>
Opening accumulated depreciation	4,647	-16,309	20,458	-	97,498	11,467	-	1,17,761
Depreciation charged during the year 2019-2020	-	-	-	-	17,354	-	-	17,354
Depreciation on Disposals	-	-	-	-	-	-	-	-
Adjustment/ Reversal of Depreciation	-	-	-	-	-	-	-	-
<i>Closing accumulated depreciation as at March 31, 2020</i>	<i>4,647</i>	<i>(16,309)</i>	<i>20,458</i>	-	<i>1,14,852</i>	<i>11,467</i>	-	<i>1,35,115</i>
<b>Net carrying amount as at March 31, 2020</b>	<b>6,725</b>	<b>20,000</b>	<b>3,216</b>	<b>5,000</b>	<b>49,784</b>	-	-	<b>84,725</b>

## 2 Investments (Non-current)

Investments consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020	Basis of Valuation
<b>Carried at market value</b>			
- Investments in Equity Shares -Quoted (Refer 2A)	10,865	8,672	FVTPL
- Investments in Mutual Funds	39,06,873	67,31,067	FVTPL
- Investments in Equity Shares -Unquoted	1,31,38,500	1,31,38,500	Amortised Cost
<b>TOTAL</b>	<b>1,70,56,239</b>	<b>1,98,78,239</b>	

### 2A Investments in Equity

Investment in Equity Shares	As at 31st March 2021	As at 31st March 2020
<b>Quoted</b>		
Arcee Industries Ltd.	5,510	4,000
Shiva Medicare Ltd.	3,900	3,900
Pasupati Acrylic Ltd.	1,275	599
Arcotech	180	173
<b>TOTAL</b>	<b>10,865</b>	<b>8,672</b>

## 3 Loans (Non-current)

Loans consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
Loans and advances (Refer 3A)	1,78,61,370	2,13,19,821
<b>TOTAL</b>	<b>1,78,61,370</b>	<b>2,13,19,821</b>

### 3A

Particulars	As at 31st March 2021	As at 31st March 2020
Amrita*	-	1,31,37,399
SMB Holdings*	64,30,810	32,01,310
Vinod Kumar*	54,01,860	49,81,112
Gyatri Impex*	60,28,700	-
	<b>1,78,61,370</b>	<b>2,13,19,821</b>

\* Interest bearing advances

**Note 4: Deferred Tax Assets (Net)**

Major Components of the deferred tax balances:

Particulars	As at 31st March 2021	As at 31st March 2020
Property, Plant and Equipment	(1,05,260)	9,840
Interest on ICD Investment	-	-
	-427	-
	(1,05,687)	9,840
MAT credit available	1,14,817	1,14,817
<b>Total</b>	<b>9,130</b>	<b>1,24,657</b>

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Interest on ICD	Investment	Allowance for Expected Credit Loss	Total
<b>At 31st March, 2019</b>	<b>9,461</b>	<b>(2,11,299)</b>	-	-	<b>(2,01,839)</b>
(Charged) / credited					
- to Statement of Profit and Loss	380	2,11,299	-	-	2,11,679
- to Other Comprehensive Income	-	-	-	-	-
<b>At 31st March, 2020</b>	<b>9,840</b>	-	-	-	<b>9,840</b>
(Charged) / credited					
- to Statement of Profit and Loss	(1,15,101)	-	(427)	-	(1,15,528)
- to Other Comprehensive Income	-	-	-	-	-
<b>At 31st March, 2021</b>	<b>(1,05,260)</b>	-	(427)	-	<b>(1,05,687)</b>

**5 Current Tax Assets (Net)**

Current Tax Assets (Net) consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
GST Input	18,000	-
Tax Recoverable (Net of Provision) (Refer 5A)	52,59,734	34,80,662
<b>TOTAL</b>	<b>52,77,734</b>	<b>34,80,662</b>

**5A Status as at 31st March, 2021**

Particulars	As at 31st March 2021	As at 31st March 2020
Balance outstanding for previous year	<b>34,80,662</b>	<b>(86,424)</b>
Provision for tax	2,41,534	2,34,225
Less: TDS recoverable/tax deducted at source	20,20,606	37,32,661
Less: Self assessment tax		68,650
<b>Tax Refundable/(Tax Payable)</b>	<b>52,59,734</b>	<b>34,80,662</b>

**6 Trade Receivables**

Trade receivables consist of the following:

Particulars	As at 31st March 2021	As at 31st March 2020
Unsecured,		
Considered good;	16,39,57,318	21,32,05,555
Doubtful	-	-
	<b>16,39,57,318</b>	<b>21,32,05,555</b>
Less: Allowance for expected credit loss		-
<b>TOTAL</b>	<b>16,39,57,318</b>	<b>21,32,05,555</b>

The company applies the simplified and lifetime approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of expected loss provision for all trade receivables. The company uses expected credit loss model to assess the impairment loss

and make allowance on doubtful debts using expected credit loss model on case to case basis.

## 7 Cash and Cash Equivalent

Cash and cash equivalents consist of the following at amortised cost:

Particulars	As at 31st March 2021	As at 31st March 2020
(a) Cash in Hand	14,14,107	2,74,319
<b>(b) Balances with banks</b>		
- In Current Accounts	18,57,271	29,47,161
<b>TOTAL</b>	<b>32,71,377</b>	<b>32,21,480</b>

## 8 Other Bank Balances

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31st March 2021	As at 31st March 2020
(a) Bank deposit	5,99,206	5,52,665
<i>(deposits with original maturity more than 3 month having remaining maturity less than 12 months form Reporting date)</i>		
<b>TOTAL</b>	<b>5,99,206</b>	<b>5,52,665</b>

## 9 Other Financial Assets (Current)

Other Financial Assets consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposits;		
- Deposits for Rented Premises	1,05,75,000	65,75,000
Interest Receivable (Refer 9A)	266	15,948
<b>TOTAL</b>	<b>1,05,75,266</b>	<b>65,90,948</b>

### 9A Details of Interest Receivable

Particulars	As at 31st March 2021	As at 31st March 2020
Interest Recoverable on FD	266	15,948
Interest Recoverable on Advances		-
<b>Total</b>	<b>266</b>	<b>15,948</b>

## 10 Other Current Assets

Other Current Assets consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
Advance to Parties	94,585	8,400
Prepaid Expenses	58,567	
<b>TOTAL</b>	<b>1,53,152</b>	<b>8,400</b>

## 11 Share Capital

The authorised, issued, subscribed and fully paid up share capital of equity shares having a par value of Rs10 each as follows:

Share Capital	As at 31st March 2021		As at 31st March 2020	
<b>Authorised</b>				
Equity Shares of Rs 10 each	60,00,000	6,00,00,000	60,00,000	6,00,00,000
	60,00,000	6,00,00,000	60,00,000	6,00,00,000
<b>Issued, Subscribed &amp; Fully Paid</b>				
5,02,000 equity Shares of Rs 10 each	50,20,000	5,02,00,000	50,20,000	5,02,00,000
<b>Total</b>	<b>50,20,000</b>	<b>5,02,00,000</b>	<b>50,20,000</b>	<b>5,02,00,000</b>

(i) Equity Shares :- The company has one class of equity shares having a par value of Rs 10 each. Each share holder of equity is entitled to one vote per share.

(ii) In the event of liquidation of the company, holders of equity shares will be entitled to receive remaining assets of the company after distributing of all preferential amounts.

**Reconciliation of number of shares**

11A	Particulars	Equity Shares			
		As at 31st March 2021		As at 31st March 2020	
	Shares outstanding at the beginning of the year	50,20,000	5,02,00,000	50,20,000	5,02,00,000
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Any other movement (please specify)	-	-	-	-
	Shares outstanding at the end of the year	50,20,000	5,02,00,000	50,20,000	5,02,00,000

**Details of shares held by shareholders holding more than 5% of aggregate shares in the Company**

11B	Name of Shareholder	Equity Shares			
		As at 31st March 2021		As at 31st March 2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Rakesh Mohan Sharma	4,12,450	8.22%	4,12,450	8.22%
	Disha Capital Services Limited	5,98,000	11.91%	5,98,000	11.91%
	Disha Investment Centre Pvt Ltd	14,83,800	29.56%	14,83,800	29.56%
	Mr. Tarun Sharma	3,17,120	6.32%	3,17,120	6.32%
	Mr. Siddharth Sharma	3,11,010	6.20%	3,11,010	6.20%
	Deepali Sharma	2,65,000	5.28%	2,65,000	5.28%
	Rakesh Sharma Joint Shivani Sharma	2,47,500	4.93%	2,47,500	4.93%
	Others	13,85,120	27.59%	13,85,120	27.59%
	<b>Total</b>	<b>50,20,000</b>	<b>100%</b>	<b>50,20,000</b>	<b>100%</b>

12 **Trade payables consist of the following :**

Trade payables consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
<b>(a) Trade Payables</b>		
- Due to MSMED	-	-
- Due to others	17,08,65,071	21,43,91,030
<b>Total</b>	<b>17,08,65,071</b>	<b>21,43,91,030</b>

For year ended 31<sup>st</sup> March, 2021, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006.

13 **Other Financial Liabilities (Current)**

Other Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st March 2021	As at 31st March 2020
Expense payable	15,000	15,000
<b>Total</b>	<b>15,000</b>	<b>15,000</b>

14 **Other Current Liabilities (Non-Financial)**

Other current liabilities consist of the following :-

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory Liabilities	3,70,135	22,60,807
Other Payables (Refer 14A)	75,253	5,05,661
<b>Total</b>	<b>4,45,389</b>	<b>27,66,468</b>

14A **Other Payables :**

Particulars	As at 31st March 2021	As at 31st March 2020
Expenses Payable	20,476	1,19,657
Salary Payable	54,777	3,26,484
Imprest to Staff	-	59,520
<b>Total</b>	<b>75,253</b>	<b>5,05,661</b>

**Provision (Current)**

15

Provisions consist of the following :

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for tax (Refer 15A)		-
<b>Total</b>		<b>-</b>

**Details of Tax Payable**

15A

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for tax -Net (F.Y.: 2020-21)	-	-
<b>Total</b>		<b>-</b>

**16 Revenue from Operations**

Revenue from operations consist of revenues from

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products	15,76,91,824	19,04,35,105
<b>Total</b>	<b>15,76,91,824</b>	<b>19,04,35,105</b>

**17 Other Income**

Other income (net) consist of the following:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest Income on FD	35,653	52,218
Gain On Investment	2,79,614	15,105
Interest Income on Advance	33,64,518	22,90,821
Miscellaneous Income	3	655
Profit on account of Fair Valuation of Investments	-21,614	1,50,188
<b>Total</b>	<b>36,58,174</b>	<b>25,08,987</b>

**18 Purchase of Stock-in Trade**

Purchase of Stock-in Trade consist of the following:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Trading goods	15,28,63,074	18,65,80,459
<b>Total</b>	<b>15,28,63,074</b>	<b>18,65,80,459</b>

**19 Employee Benefit Expense**

Employee benefits expenses consist of the following

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries & Wages	25,95,000	25,04,984
Employees Welfare expenses	97,500	1,20,000
<b>Total</b>	<b>26,92,500</b>	<b>26,24,984</b>

**20 Finance Cost**

Finance costs consist of the following:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on Late Payment of Taxes	1,07,562	13,148
<b>Total</b>	<b>1,07,562</b>	<b>13,148</b>

**Other Expenses**

21

Other expenses consist of the following

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Advertisement expenses	1,12,580	4,26,480
b) Allowance for Expected Credit Loss on Debtors	-	-
c) Fees and subscription	3,99,000	3,84,710
d) Interest charges	-	-
e) Demat Charges	-	-
f) Office Expenses	17,198	10,500
g) Bank Charges	7,923	4,856
h) Travelling Expenses	3,70,366	8,88,909
i) Rates & Taxes	15,251	10,360
j) Computer maintenance	-	-
k) Repair & Maintenance	71,241	4,000
l) Sundry Balance Written off	-	-
m) Telephone	88,427	1,15,200
n) Electricity	41,354	20,650
o) Conveyance & Car Running Exp.	1,34,244	1,67,100
p) Legal & Professional Expenses	25,05,420	10,000
q) Event Management Charges	-	6,25,000
r) Service charges	35,400	-
s) General Expenses	4,56,391	-
t) <i>Auditors Remuneration:</i>		
-Statutory/Tax Audit	15,000	15,000
u) Prior Period Expenses	-	6,620
v) E-Voting Charges	15,000	5,000
w) Tally license Renewal Charges	4,600	3,600
<b>Total</b>	<b>42,89,396</b>	<b>26,97,986</b>

## **22. Significant Accounting Policies**

### **A. Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

### **B. Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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

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

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

### **C. Basis of classification of Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

### **D. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

### **F. Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include

applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

<b>Asset</b>	<b>Life of Asset</b>
Computers & Peripherals	3 - 6 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

#### **G. Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

#### **H. Inventories**

Inventories are stated at lower of cost and net realizable value. The cost is calculated on First In First Out method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale.

## I. Financial Assets

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) **Amortised cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- b) **Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are de-recognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) Amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:** Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

#### **J. Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### **K. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### **L. Cash Flow Statement**

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

#### **M. Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### **N. Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

#### **O. Revenue**

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- Company retains neither continuing managerial involvement to the degree

- usually associated with ownership nor effective control over the goods sold;
  - The amount of revenue can be measured reliably;
  - It is probable that the economic benefits associated with the transaction will flow to the Company; and
- a) **Sale of goods:** Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.
- b) **Interest income:** Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.
- c) **Dividend income:** Dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
- d) **Other revenues:** These are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

## P. Employee Benefits

### Short-term benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## Q. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

## **R. Taxes on Income**

Income tax expense represents the sum of the tax currently payable and deferred taxation.

### **a) Current Tax**

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

### **b) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

### **c) Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are

recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

#### **S. Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

#### **T. Operating Segment**

The Company operates only in single segment i.e. the Trading of "local computer" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

#### **U. Earnings per share**

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **V. Contingent liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

#### **W. Financial and Management Information Systems**

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### **Additional Notes to Accounts**

#### **23) Earnings Per Share (EPS) :**

	<b>Year ended 31-Mar-21</b>	<b>Year Ended 31-Mar-20</b>
<b>(a) Calculation of Weighted Average Number of Equity Shares of 100 each</b>		
Number of Shares at the beginning of the period**	50,20,000	50,20,000
Number of Shares at the close of the period**	50,20,000	50,20,000
Weighted Average number of Equity Shares** During the period	50,20,000	50,20,000
<b>(b) Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)</b>	<b>7,47,146</b>	<b>9,87,615</b>
<b>(c) Earning per share – Basic**</b>	<b>0.15</b>	<b>0.20</b>
<b>(d) Earning per share – Diluted**</b>	<b>0.15</b>	<b>0.20</b>

- 24) Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting period. But no provision of gratuity has been made during the reporting period as mandated by “**Indian Accounting Standard-19 on Employees Benefits**”, issued by Institute of Chartered Accountants of India and the expense of Gratuity is not booked on the basis of Actuarial Valuation certificate.
- 25) For year ended 31<sup>st</sup> March, 2021, Company has no dues from any party that is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).
- 26) The Company has taken certain commercial premises under cancellable operating lease arrangements. The lease rental clause provides no rental expense to be charged from lessee. Only security deposit amounting Rs. 1,05,75,000 is to be provided for. There is no Lock in period of aforementioned operating leases as on 31<sup>st</sup> March 2021, therefore the same are considered as cancellable operating lease.

27) **Related Parties Transactions:**

**A. List of Related parties**

SN	Description of Relationship	Name of Party
(a)	Associate Company	Disha Capital Services Limited
(b)	Enterprise which have significant influence over the company	Disha Investment Centre Private Limited
(c)	Enterprise in which KMP has significant influence	RMS and Associates
(d)	Key Management Personnel	Kriti Bareja Siddharth Sharma Indu Atri  Rakesh Mohan Sharma Deepali Sharma

**B. Transactions with Related Parties**

	Type of Transaction	Associate Company		Enterprise which have significant influence over the company		Enterprise in which KMP has significant influence		Key Managerial Personnel	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(a)	Salary	-	-	-	-	-	-	8,40,000	9,52,520
(b)	Consultancy Fee	-	-	-	-	24,03,620	-	-	-

**C. Balance Outstanding**

**(Amount in Rs.)**

		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
1.	Amount outstanding – Receivables (Disha Investment Centre Pvt Ltd)	1,05,75,000	65,75,000
2.	Amount outstanding – Payables (KMP)	70,000	2,80,000
3.	Amount outstanding – Investments (Associate)	1,31,38,500	1,31,38,500

28) Fair value measurement

i. Financial Instruments by category

	As at 31 <sup>st</sup> March 2021			As at 31 <sup>st</sup> March 2020		
	FVTPL	FVTOC I	Amortise dcost	FVTPL	FVT OCI	Amortise dcost
<b>Investments</b>	39,17,739	-	1,31,38,500	67,39,739	-	1,31,38,500
<b>Loans</b>	-	-	1,78,61,370	-	-	2,13,19,821
<b>Trade Receivables</b>	-	-	16,39,57,318	-	-	21,32,05,555
<b>Cash and cash equivalents</b>	-	-	32,71,377	-	-	32,21,480
<b>Other Bank Balance</b>	-	-	5,99,206	-	-	5,52,665
<b>Others</b>	-	-	1,05,75,266	-	-	65,90,948
<b>Borrowing</b>	-	-	-	-	-	-
<b>Trade Payable</b>	-	-	17,08,65,071	-	-	21,43,91,030
<b>Other</b>	-	-	15,000	-	-	15,000

ii. Financial Instruments by hierarchy

Particulars		As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
<b>I</b>	<b>Financial Assets / Financial Liabilities at Amortised Cost</b> The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values except Investments for which the fair value are as follows: Fair value of Investments measured at amortised cost <b>(Level 1)</b>	1,31,38,500	1,31,38,500
<b>II</b>	<b>Financial assets at Fair Value through Profit &amp; Loss</b> Investment in Equity Shares, Mutual Funds (Level 1) Investment in Alternative Investment Funds (Debt), Loans (Level 3)	39,17,739 1,78,61,370	67,39,739 2,13,19,821
<b>III</b>	<b>Financial assets at fair value through Other Comprehensive Income</b>	<b>NIL</b>	<b>NIL</b>

## 29) **Capital Management**

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholder's value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

## 30) **Financial Risk Management**

The Company's principal financial liability comprises trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds non-current investments measured at amortised cost. The Company is exposed to market risk, credit risk, interest risk, foreign exchange risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

### a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL non-current investments.

### b) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's avilment of bank overdraft and other working capital loans.

**c) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

**d) Liquidity Risk**

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with bank(s) to meet the obligations.

31) The letters of confirmation have been sent by the management to parties of Accounts receivables, Accounts payables, Advances, other payables/receivables to confirm their balances as on 31st March, 2021. Balance confirmations have not been received from parties up to the date of signing of financials. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and no provisions have been made in respect of debtors/advances.

**32) Segment information for the year ended 31st March 2021**

The Company is engaged in a single segment i.e. the Trading of "Local Computers and other related services" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

**Geographical Segments**

Since the company's operations & activities are within the country and considering the nature of services it deals in, the risks and returns are the same and as such, there is only one geographical segment.

<b>Particulars</b>	<b>For year ending 31st March, 2021</b>	<b>For year ending 31st March, 2020</b>
<b>Segment Revenue</b>		
- Within India	15,76,91,824	19,04,35,105

33) It is over a year since 2020, Pandemic hit us hard through public health crisis and economy disruption. Government from time to time imposed restrictions on activities

and nationwide lockdown amid the covid situation which has resulted in a global slow down. This affects all aspects of everyone lives and directly have wide impact on the economy which includes our business.

The safety and health of the employees of the Company has been highest priority for us and accordingly we adopted the mode of work from home. The Company resumed its operation, with strict safety protocols during eased conditions announced by the Government. Your Company has been actively been monitoring the impact of covid on its financial condition and operation and the unavailable decline in its revenue for the Financial year 2020-21. Despite all this, the company achieved improved profits due to change in priority of business.

**34) (i) Comparative Previous Year's Figures**

Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

**(ii) Format as per Schedule III of Companies Act, 2013**

The Company has prepared these Financial Statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the Schedule') issued by Ministry of Corporate Affairs, Government of India for preparation of Ind AS financials.

**(iii) Presentation of Figures**

The figures appearing in the Financial Statements has been prepared in Rupees.

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**For V Sahai Tripathi & Co**

Chartered Accountants

Firm Reg. No. 000262N

**Vishwas Tripathi**

**Partner**

**M.N.: 086897**

**Siddharth Sharma**

**(Director)**

**DIN 07401382**

**Deepali Sharma**

**(Director)**

**DIN 05133382**

**Place: New Delhi**

**Dated: 30<sup>th</sup> June 2021**

**Indu Atri**

**(Chief Financial Officer)**

**Kriti Bareja**

**(Company Secretary)**