

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Unisphere Industries Private Limited

REPORT ON THE AUDIT OF ANNUAL STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the Standalone Financial statements of Unisphere Industries Private limited (hereinafter referred to as "the Company") which comprise the Standalone Balance Sheet as at 31 March 2022, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2022, and its profit and other comprehensive loss, changes in equity 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note no. 15 (VIII) "Going Concern" under Notes to account in the standalone financial statements, wherein it is mentioned that the company has accumulated losses of Rs. 30,72,596/- (Previous year ended 31/03/2021 of Rs. 8,61,007/-) net current liabilities of Rs. 1,02,478/- (Previous year ended 31/03/2021 of Rs. 83,795/-). These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However as a result of the mitigating factors elaborated in the aforesaid note i.e. business strategies & operating plans of the Company, management believes that it will be able to pay its obligations as they fall due & continue as a going concern. Accordingly management has prepared these standalone financial statements on going concern basis & consequently, no adjustments have been made to the carrying values of the assets & liabilities in the attached standalone financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our

audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of Key audit matters as per SA 701, Key audit matters are not applicable to the company as it is an unlisted company.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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. (A) As required by Section 143(3) of the Act, we report that

- a) We have sought and 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 it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B)** With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has no pending litigations as at 31 March 2022 on its financial position in its standalone financial statements.
 - b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e) The Company has not declared any dividend during the current financial year.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is Nil. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) of the Act which are required to be commented upon by us.

For Aditya Agarwal & Associates
Chartered Accountants
FRN: 004568C

Place: New Delhi

Date: 26th May, 2022

UDIN: 22438412AM04FP7900

Micky Bhatia
(Partner)

Membership No. 438412

Annexure A to the Independent Auditor's report on the standalone financial statements of Unisphere Industries Private Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i)(a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The company does not have any value of Property, plant and equipment & accordingly, clause 3 (i)(a) (A) of the Order is not applicable.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The company does not have any value of Intangible assets & accordingly, clause 3 (i)(a) (B) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not having Property, plant and equipment & accordingly, clause 3 (i)(b) of the Order is not applicable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, clause 3 (i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The company does not have any value of inventory & accordingly, clause 3 (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, clause 3 (ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause 3 (iii)(a) to f) of the Order are not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)(a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues

including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues pending on account of disputed dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have loans or borrowings from lender which are repayable on demand. The repayment of the same is done during the year in all respects without any default.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix) (d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made preferential allotment of 1% optionally convertible Cumulative redeemable preference shares (OCCRPS)s Series -I of Rs.10 each fully paid up during the year.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company is not mandatory required to have a vigil mechanism in the Company. Accordingly, clause 3(xi)(c) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company is not compulsory required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, clause 3(xiv)(a) of the Order is not applicable.
- (b) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company is not mandatory required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs. 22,11,589/- in the current and Rs. 8,48,436/- in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we believe that material uncertainty exists as on the date of the audit report. However as a result of business strategies & operating plans of the Company, management believes that it will be able to pay its obligations as they fall due & continue as a going concern. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, CSR provisions are not applicable to the company & hence there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.

For Aditya Agarwal & Associates
Chartered Accountants

(CA Micky Bhatia)
Partner
Membership No. 438412
Firm Registration No. 004568C
UDIN : 22438412AMOYFP7900

Place: New Delhi

Date: 26th May, 2022

UDIN: 22438412 AMOYFP7900

Annexure B to the Independent Auditor's Report on the standalone financial statements of Unisphere Industries Private Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Unisphere Industries Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: New Delhi

Date: 26th May, 2022

UDIN: 22438412AM04FP7900

For Aditya Agarwal & Associates
Chartered Accountants

(CA Micky Bhatia)

Partner

Membership No. 438412

Firm Registration No. 004568C

UDIN : 22438412AM0YFP7900

| UNISPHERE INDUSTRIES PRIVATE LIMITED | | | | |
|---|------|--|---------------------------------|-------------------------|
| CIN : U70109DL2019PTC358253 | | | | |
| REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020 | | | | |
| BALANCE SHEET AS AT 31-03-2022 | | | | |
| Particulars | Note | Amounts In Rs | | |
| | | As at 31, 2022 | March | As at March 31, 2021 |
| A Assets | | | | |
| 1 Non-current assets | | | | |
| a) Property, plant and equipment | - | - | - | - |
| b) Capital work-in-progress | - | - | - | - |
| c) Investment properties | 1 | 2,52,30,000 | - | 2,27,30,000 |
| d) Intangibal assets | - | - | - | - |
| e) Financial assets | | | | |
| i) Investments | - | - | - | - |
| ii) Loans | - | - | - | - |
| iii) Other financial assets | - | - | - | - |
| f) Income tax assets (net) | - | - | - | - |
| g) Other non-current assets | 2 | 6,03,250 | - | 31,03,250 |
| Total non-current assets | | 2,58,33,250 | | 2,58,33,250 |
| 2 Current assets | | | | |
| a) Inventories | - | - | - | - |
| b) Financial assets | | | | |
| i) Trade receivables | - | - | - | - |
| ii) Cash and cash equivalents | 3 | 12,49,216 | - | 6,99,798 |
| iii) Bank balances other than cash and cash equivalents above | - | - | - | - |
| iv) Loans | - | - | - | - |
| v) Other financial assets | - | - | - | - |
| c) Other current assets | 4 | 47,416 | - | 51,132 |
| Total Current assets | | 12,96,632 | | 7,50,930 |
| Total Assets | | 2,71,29,882 | | 2,65,84,180 |
| B EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| a) Equity share capital | 5 | 1,00,000 | - | 1,00,000 |
| b) Other equity | 6 | 1,79,75,824 | - | -8,61,007 |
| Total equity | | 1,80,75,824 | | -7,61,007 |
| Liabilities | | | | |
| 1 Non-current liabilities | | | | |
| a) Financial liabilities | | | | |
| i) Borrowings | 7 | 89,51,580 | - | - |
| ii) Other financial liabilities | - | - | - | - |
| b) Provisions | - | - | - | - |
| c) Deferred tax liabilities (net) | - | - | - | - |
| d) Other non-current liabilities | - | - | - | - |
| Total non-current liabilities | | 89,51,580 | | - |
| 2 Current liabilities | | | | |
| a) Financial liabilities | | | | |
| i) Borrowings | 8 | - | - | 2,72,61,392 |
| ii) Trade payables | - | - | - | - |
| iii) Other financial liabilities | - | - | - | - |
| b) Other current liabilities | 9 | 1,02,478 | - | 83,795 |
| c) Provisions | - | - | - | - |
| d) Current tax liabilities (net) | - | - | - | - |
| Total current liabilities | | 1,02,478 | | 2,73,45,187 |
| Total liabilities | | 90,54,058 | | 2,73,45,187 |
| Total equity and liabilities | | 2,71,29,882 | | 2,65,84,180 |
| The accompanying Notes from an integral part of the Financial Statements | | | | |
| As per our attached report of even date | | | | |
| For Aditya Agarwal & Associates | | For Unisphere Industries Private Limited | | |
| Chartered Accountants | | | | |
| (CA Micky Bhatia) | | (Kamlesh Gupta) | (Ankur Rawat) | |
| Partner | | Director | Director | |
| Membership No. 438412 | | DIN-07243898 | DIN: 07682969 | |
| Firm Registration No. 004568C | | Address: 11/234, Geeta Colony | Address: Panchwati | |
| UDIN : 22438412AVOYFP7900 | | Near Axis bank | Residency, Flat No 608, Chandni | |
| | | Delhi, India-110031 | Chowk, Kanke Road Near Hotel | |
| | | | Holiday Home, Misirgonda Alias | |
| | | | Pahargaon, Ranchi- | |
| | | | 834008, Jharkhand | |
| Place : New Delhi | | | | |
| Date: 26-05-2022 | | | | |

UNISPHERE INDUSTRIES PRIVATE LIMITED

CIN : U70109DL2019PTC358253

REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020

Statement of Profit and Loss for the year ended March 31, 2022

| Amounts In Lakhs | | Amounts In Rs. | |
|--|------|--|--|
| Particulars | Note | Figures for the Current reporting period ended on 31-03-2022 | Figures for the Current reporting period ended on 31-03-2021 |
| INCOME | | | |
| Revenue from operations | - | - | - |
| Other income | 10 | 18,000 | 15,000 |
| Total Income | | 18,000 | 15,000 |
| EXPENSES | | | |
| Cost of material consumed | - | - | - |
| Change in inventories of finished goods, | - | - | - |
| Employee benefits expenses | - | - | - |
| Finance costs | 11 | 16,43,081 | 6,55,836 |
| Depreciation and amortisation expenses | - | - | - |
| Other expenses | 12 | 5,86,508 | 2,07,600 |
| Total expenses | | 22,29,589 | 8,63,436 |
| Profit before exceptional items and tax | | -22,11,589 | -8,48,436 |
| Exceptional items | | - | - |
| Profit before tax | | -22,11,589 | -8,48,436 |
| Tax expenses | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Tax of Earlier Year | | - | - |
| Total expenses | | - | - |
| Profit for the year | | -22,11,589 | -8,48,436 |
| Other Comprehensive Income | | | |
| a) Items that will not be reclassified to profit and loss | | | |
| i) Fair value of equity instruments through other Comprehensive Income (FVOCI) | | | |
| ii) Remeasurment gain I (loss) on defined benefit plans | | - | - |
| iii) Income tax related to item no (ii) above | | - | - |
| b) Items that will be reclassified to profit and loss | | | |
| i) Effective portion of gain I (loss) on cash flow hedges | | | |
| ii) Income tax related to item no (i) above | | | |
| Other Comprehensive Income, net of tax | | - | - |
| Total Comprehensive Income for the year | | -22,11,589 | -8,48,436 |
| Earnings per Equity share | 13 | -221.16 | -84.84 |
| Basic and diluted earning Rs. Per equity share of Rs. 10 each | | -221.16 | -84.84 |

The accompanying Notes from an integral part of the Financial Statements

As per our attached report of even date

For Aditya Agarwal & Associates

For Unisphere Industries Private Limited

Chartered Accountants

(CA Micky Bhatia)
Partner
Membership No. 438412
Firm Registration No. 004568C
UDIN : 22438412AMOYFP7900

(Kamlesh Gupta)
Director
DIN-07243898
Address: 11/234, Geeta Colony
Near Axis bank
Delhi, India-110031

(Ankur Rawat)
Director
DIN: 07682969
Address: Panchwati Residency, Flat No 608, Chandni Chowk, Kanke Road Near Hotel Holiday Home, Misirgonda Alias Pahargaon, Ranchi-834008, Jharkhand

Place : New Delhi

Date: 26-05-2022

| UNISPHERE INDUSTRIES PRIVATE LIMITED | | | | |
|---|-----------------------|-----------------------|---|---------------------|
| CIN : U70109DL2019PTC358253 | | | | |
| REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020 | | | | |
| Cash Flow Statement for the year ended 31-03-2022 | | | | |
| Particulars | F.Y. 2021-2022 | F.Y. 2020-2021 | | |
| | Amount (In Rs) | Amount (In Rs) | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Net profit before tax | (22,11,589) | (8,48,436) | | |
| Adjustments for Non-Cash Items / Non-Operating Items: | | | | |
| Add: Depreciation | - | - | | |
| Add: Interest Expense | 16,43,081 | 6,55,836 | | |
| Add: Loss on sale of Fixed Asset | - | - | | |
| Less: Profit on sale of Fixed Asset | - | - | | |
| Add: Gratuity | - | - | | |
| Less: Interest Income | - | - | | |
| NET PROFIT FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES | | | | |
| | (5,68,508) | (1,92,600) | | |
| Changes in current assets and liabilities: | | | | |
| Change in Current Assets | | | | |
| Inventories | - | - | | |
| Trade Receivable | - | - | | |
| Short Term Loans And Advances | - | - | | |
| Other Financial Assets | - | - | | |
| Other Current Assets | 3,716 | -42,859 | | |
| Change in Current Liabilities | | | | |
| Short Term Borrowing | - | - | | |
| Trade Payable | - | - | | |
| Other Financial Liabilities | - | - | | |
| Other Current Liabilities | 18,683 | 70,295 | | |
| Provision for Employee benefits | - | - | | |
| NET CASH GENERATED FROM OPERATING ACTIVITIES BEFORE INCOME TAX | | | | |
| | (5,46,109) | (1,65,164) | | |
| Less: Income Tax Paid/ TDS (including Income Tax Demand) | - | - | | |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | | | | |
| | -5,46,109 | -1,65,164 | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchases of Fixed Assets | - | - | | |
| Sale of Fixed Assets | - | - | | |
| Purchase of Investment in Property | (25,00,000) | (2,27,30,000) | | |
| Increase in Non Current Financial Assets | 25,00,000 | (31,03,250) | | |
| Increase in Non Current Assets | - | - | | |
| Interest Income | - | - | | |
| Loans & Advance | - | - | | |
| NET CASH FROM INVESTING ACTIVITIES | | | | |
| | - | -2,58,33,250 | | |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Share Capital | - | - | | |
| Equity component of compound financial instruments | 2,10,48,420 | - | | |
| Liability Component of compound financial instrument | 89,51,580 | - | | |
| Un-Secured Loans | (2,72,61,392) | 2,72,61,392 | | |
| Interest Expense | (16,43,081) | (6,55,836) | | |
| NET CASH FROM FINANCING ACTIVITIES | | | | |
| | 10,95,527 | 2,66,05,556 | | |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | | | | |
| | 5,49,418 | 6,07,142 | | |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | | | | |
| | 6,99,798 | 92,656 | | |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | | | | |
| | 12,49,216 | 6,99,798 | | |
| Reconciliation of liabilities arising from financing activities | | | | |
| Particulars | Short term borrowings | Long term borrowings* | Lease liabilities | Total |
| As at April 01, 2021 | | | | |
| | 2,72,61,392 | - | - | 2,72,61,392 |
| Cash flows | | | | |
| Lease rental paid | - | - | - | - |
| Receipt of loan | 10,00,000 | 89,51,580 | - | 99,51,580 |
| Repayment of loan | (2,97,40,165) | - | - | -2,97,40,165 |
| Non cash changes | | | | |
| Interest on liability component of compound financial instruments | - | - | - | - |
| Additions of lease liabilities | - | - | - | - |
| Interest expense on lease liabilities | 14,78,773 | - | - | 14,78,773 |
| | (2,72,61,392) | 89,51,580 | - | (1,83,09,812) |
| Reconciliation of liabilities arising from financing activities | | | | |
| Particulars | As at 01 April 2021 | Cash flows | Non cash changes | As at 31 March 2022 |
| Short term borrowings | 2,72,61,392 | -2,87,40,165 | 14,78,773 | - |
| Long term borrowings* | - | 89,51,580 | - | 89,51,580 |
| Lease liabilities | - | - | - | - |
| *Liability component of compound financial Instruments | | | | |
| The accompanying Notes from an integral part of the Financial Statements | | | | |
| As per our attached report of even date | | | | |
| For Aditya Agarwal & Associates | | | For Unisphere Industries Private Limited | |
| Chartered Accountants | | | | |
| (CA Micky Bhatia) | | | (Kamlesh Gupta) | |
| Partner | | | Director | |
| Membership No. 438412 | | | DIN: 07682969 | |
| Firm Registration No. 004568C | | | Address: Panchwati | |
| UDIN : 22438412AMOYFP7900 | | | Residency, Flat No | |
| | | | 608, Chandni Chowk, Kanke | |
| | | | Road Near Hotel Holiday | |
| | | | Home, Misirgonda Alias | |
| | | | Pahargaon, Ranchi- | |
| | | | 834008, Jharkhand | |
| Place : New Delhi | | | | |
| Date: 26-05-2022 | | | | |

| UNISPHERE INDUSTRIES PRIVATE LIMITED | | | | | | | |
|---|---|----------------------------|------------------------------------|---|--------------------------|---------------------------------------|--------------------|
| CIN : U70106DL2019PTC358253 | | | | | | | |
| REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA PHASE-I, NEW DELHI-110020 | | | | | | | |
| Statement of changes in equity for the year ended March 31, 2022 | | | | | | | |
| A Equity share capital | | | | | | | |
| Particulars | Note | Amount | | | | | |
| As at March 31, 2021 | C | 1,00,000 | | | | | |
| Change in equity share capital during the year | | - | | | | | |
| As at March 31, 2022 | C | 1,00,000 | | | | | |
| B Other equity | | | | | | | |
| Particulars | Equity Component of compound financial instrument | Securities premium reserve | Reserve and surplus | | Other reserves | | Total other equity |
| | | | Capital Redemption Reserve reserve | Retained earnings | FVOCI equity instruments | Effective portion of cash flow hedges | |
| As at March 31, 2020 | - | - | - | -12,571 | - | - | -12,571 |
| Profit for the year | - | - | - | -8,48,436 | - | - | -8,48,436 |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | | | | -8,48,436 | | | -8,48,436 |
| Transfer to retained earnings on disposal of FVOCI Equity Instrument | - | - | - | - | - | - | - |
| Hedging gain / (loss) reclassified to Statement of Profit & Loss | - | - | - | - | - | - | - |
| Transactions with owners in their capacity as owners: | | | | | | | |
| Income Tax Demand | - | - | - | - | - | - | - |
| Dividend paid (including dividend distribution tax) | - | - | - | - | - | - | - |
| As at March 31, 2021 | - | - | - | -8,61,007 | - | - | -8,61,007 |
| Profit for the year | - | - | - | -22,11,589 | - | - | -22,11,589 |
| Other Comprehensive Income | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | | | | -22,11,589 | | | -22,11,589 |
| Transfer to retained earnings on disposal of FVOCI Equity Instrument | - | - | - | - | - | - | - |
| Hedging gain / (loss) reclassified to Statement of Profit & Loss | - | - | - | - | - | - | - |
| Series-I (1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS")) | 2,10,48,420 | | | | | | 2,10,48,420 |
| Transactions with owners in their capacity as owners: | | | | | | | |
| Income Tax Demand | - | - | - | - | - | - | - |
| Dividend paid (including dividend distribution tax) | - | - | - | - | - | - | - |
| As at March 31, 2022 | 2,10,48,420.0 | - | - | -30,72,596 | - | - | 1,79,75,824 |
| The accompanying Notes form an integral part of the Financial Statement | | | | | | | |
| As per our attached report of even date | | | | | | | |
| For Aditya Agarwal & Associates | | | | For Unisphere Industries Private Limited | | | |
| Chartered Accountants | | | | | | | |
| (CA Micky Bhatia) Partner Membership No. 438412 Firm Registration No. 004568C UDIN : 22438412AMOYFP7900 | | | | (Kamlesh Gupta) Director DIN-07243898 Address: 11/234, Geeta Colony Near Axis bank Delhi India | | | |
| | | | | (Ankur Rawat) Director DIN: 07682969 Address: Panchwati Residency, Flat No 608, Chandni Chowk, Kanke Road Near Hotel Holiday Home, Misirgonda Alias Pahargaon, Ranchi- 834008, Jharkhand | | | |
| Place : New Delhi Date: 26-05-2022 | | | | | | | |

UNISPHERE INDUSTRIES PRIVATE LIMITED
CIN : U70109DL2019PTC358253
REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE I, NEW DELHI-110020

NOTES OF BALANCE SHEET

| PARTICULARS | As on 31.03.2022 | Amounts In Rs. As on 31.03.2021 |
|--|--------------------|------------------------------------|
| NOTE-1 : INVESTMENT IN PROPERTY | | |
| GOA Property | 2,27,30,000 | 2,27,30,000 |
| GOA Property Renovation | 25,00,000 | - |
| TOTAL | 2,52,30,000 | 2,27,30,000 |

NOTE-2 : OTHER NON-CURRENT ASSETS

| | | |
|---|-----------------|------------------|
| a) Advance given to Turnest Capital Pvt Ltd | - | 18,00,000 |
| b) Advance given to Uday Kaul | - | 7,00,000 |
| c) Security Deposit-Society at GOA | 6,03,250 | 6,03,250 |
| TOTAL | 6,03,250 | 31,03,250 |

NOTE-3 : CASH AND CASH EQUIVALENTS

| | | |
|--------------------------------|------------------|-----------------|
| a) Balance with banks | | |
| i) Balance with schedule banks | 12,17,016 | 6,85,598 |
| b) Cash in Hand | 32,200 | 14,200 |
| TOTAL | 12,49,216 | 6,99,798 |

NOTE-4 : OTHER CURRENT ASSETS

| | | |
|------------------------------|---------------|---------------|
| Deferred Revenue Expenditure | 4,137 | 6,205 |
| Prepaid Expenses | 43,279 | 44,927 |
| TOTAL | 47,416 | 51,132 |

NOTE-6 : OTHER EQUITY

a) Equity component of compound financial instruments

| | | |
|--|-------------|---|
| Series-I 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs. 10 each fully paid up | 2,10,48,420 | - |
|--|-------------|---|

b) Reserves and Surplus:

| | | |
|--------------------------------------|--------------------|-------------------|
| Profit & Loss Account | | |
| Opening Balance | (8,61,007) | (12,571) |
| Add: Other Comprehensive Income(OCI) | - | - |
| Add: Current year Profit | (22,11,589) | (8,48,436) |
| | (30,72,596) | (8,61,007) |
| TOTAL | 1,79,75,824 | (8,61,007) |

NON-CURRENT LIABILITIES

NOTE-7 : LONG TERM BORROWINGS

| | | |
|---|------------------|----------|
| Unsecured | | |
| Liability Component of compound financial instrument | 89,51,580 | - |
| Series-I 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs.10 each fully paid up | - | - |
| TOTAL | 89,51,580 | - |

CURRENT LIABILITIES

NOTE-8 : SHORT TERM BORROWINGS

| | | |
|---|----------|--------------------|
| a) Loan from Health Care Energy Foods Pvt Ltd | - | 2,72,61,392 |
| TOTAL | - | 2,72,61,392 |

NOTE-9 : OTHER CURRENT LIABILITIES

| | | |
|---------------------|-----------------|---------------|
| a) Expenses Payable | 27,663 | 34,558 |
| b) TDS Payable | 74,815 | 49,237 |
| TOTAL | 1,02,478 | 83,795 |

NOTES OF STATEMENT OF PROFIT & LOSS

| PARTICULARS | As on 31.03.2022 | As on 31.03.2021 |
|------------------------------|------------------|------------------|
| NOTE-10: Other Income | | |
| a) Commission Receipt | 18,000 | 15,000 |
| TOTAL | 18,000 | 15,000 |

NOTE-11: Finance Cost

| | | |
|-------------------------------|------------------|-----------------|
| a) Interest on unsecured loan | 16,43,081 | 6,55,836 |
| TOTAL | 16,43,081 | 6,55,836 |

NOTE-12: ADMINISTRATION & SELLING EXPENSES

| | | |
|--------------------------------|-----------------|-----------------|
| Payment to Auditor as | | |
| a) Auditor | 11,800 | 13,600.00 |
| b) for Certification Charges | - | - |
| Bank Charges | 1,475 | 2,593 |
| Electricity Expenses | 65,098 | 20,097 |
| House Keeping Charges | - | 1,08,900 |
| Internet & Networking Expenses | 17,736 | 34,014 |
| Lift AMC Charges | 47,998 | 12,098 |
| Interest on TDS | 2,027 | - |
| Interest / Penalty Charges | 1,335 | - |
| Maintenance Expense | 24,092 | - |
| Professional Fees | 6,600 | - |
| ROC Expense | 3,86,484 | - |
| Water Charges | 19,795 | 14,230 |
| Preliminary Exps W/o | 2,068 | 2,068 |
| TOTAL (B) | 5,86,508 | 2,07,600 |

NOTE-13 : Earning Per Share (Amount in Rs.)

| | | |
|---|------------|-----------|
| (i) Net Profit After Tax as Profit & Loss | -22,11,589 | -8,48,436 |
| (ii) Weighted Average number of equity shares | 10,000 | 10,000 |
| (iii) Basic & Diluted Earning Per Share | -221.16 | -84.84 |
| (iv) Face Value of Shares | 10 | 10 |

UNISPHERE INDUSTRIES PRIVATE LIMITED**CIN : U70109DL2019PTC358253****REGISTERED OFFICE : B-143, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020****NOTE 5: SHARE CAPITAL****(A) Authorised, Issued, Subscribed and paid up share capital**

| PARTICULARS | Amounts In Rs. | |
|---|---------------------|---------------------|
| | AS AT 31-03-2022 | AS AT 31-03-2021 |
| <u>AUTHORISED SHARE CAPITAL</u> | | |
| 1,00,000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 1,00,000 Equity Shares of Rs. 10/- each) | 10,00,000 | 10,00,000 |
| 30,00,000 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs.10 each (Previous Year NIL) | 3,00,00,000 | - |
| Total | 3,10,00,000 | 10,00,000 |
| <u>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</u> | | |
| 10,000 EQUITY SHARES OF Rs. 10/- EACH (Previous Year 10,000 Equity Shares of Rs. 10/- each) | 1,00,000 | 1,00,000 |
| 30,00,000 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs.10 each (Previous Year NIL) | _* | - |
| | 1,00,000 | 1,00,000 |

* Series-I 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") have been Classified as compound financial instruments. (Refer note "F" for equity component of OCCRP and note "E" for liability component of OCCRP).

(B) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| PARTICULARS | 31st March 2022 | | 31st March 2021 | |
|---|-----------------|----------|-----------------|----------|
| | No. of Shares | Amounts | No. of Shares | Amounts |
| Equity share of Rs.10 each, Subscribed and fully paid up Balance at the beginning of the year and at the end of year | 10,000 | 1,00,000 | 10,000 | 1,00,000 |
| Equity component of 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs.10 each fully paid up Balance at the beginning of the year and at the end of year | 30,00,000 | _* | - | - |

* Series-I 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") have been Classified as compound financial instruments. (Refer note "F" for equity component of OCCRP and note "E" for liability component of OCCRP).

(C) Rights, preferences and restrictions attached to preference shares**Series-I 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") of Rs.10 each fully paid up**

During the year ended 31 march 2022, the Company issued 30,00,000 1% Optionally Convertible Cumulative Redeemable preference share Series-I ("OCCRPS-I") of Rs.10 each, OCCRP-I have a right to preferred dividend @1% per annum or such higher dividend as the Board of Director may deem fit, payable when and if declared by the Board of director ("Board"). The dividend is Cumulative. The OCCRP-I is convertible in to 1 Equity Share of the company for each OCCRP-I held on conversion date on or before of 10 years from the date of issue.

(D) Detail of Share Holders holding more than 5% shares in the Company

| Name of Shareholder | 31st March 2022 | | 31st March 2021 | |
|---|-----------------|--------------|-----------------|--------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding |
| Equity share of Rs.10 each, Subscribed and fully paid up | | | | |
| M/s Health Care Energy Foods Private Limited | 9,999 | 100% | 9,999 | 100% |
| 1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS"), Subscribed and fully paid up | | | | |
| M/s Health Care Energy Foods Private Limited | 30,00,000 | 100% | - | 0% |

15. NOTES ON FINANCIAL STATEMENTS

- I. The transactions and balances in respect of Trade Payable / Creditors, Trade Receivables / Debtors, Advances to Suppliers, Advances from Customers, Loans taken other than bank loans, Loans and advances given, from whom confirmations have been received, are reconciled.
- II. In the opinion of the Board, the Current assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business except otherwise stated. The provision for all known liabilities is adequate and not in excess of the amount considered reasonable necessary.
- III. COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of Property, plant & Equipment, inventories, receivables and Loans given. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts of the said assets, the management has considered subsequent events, internal and external information, risk profile of the customer and borrower based on their industry and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- IV. The Company has no employee in receipt of remuneration aggregating to Rs. 60,00,000/- p.a. or employee for a part of the year Rs. 5,00,000/-p.m.
- V. In the opinion of the Board, there is no contingent liability related to the company.
- VI. **Capital Commitments**

No Capital expenditure contracted for at the end of the reporting period,

VII. **Earnings Per Share**

In accordance with Ind-AS 33 "Earning Per Share" Basic Earnings per share has been computed by dividing profit/loss for the year attributable to the Shareholders by the weighted average number of shares outstanding during the year. Diluted Earnings per share has been computed using weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

| Particulars | For the Year ended March 31, 2021 | For the Period ended March 31, 2021 |
|---------------------------------------|--------------------------------------|--|
| Net Profit (Loss) | (22,11,589.00) | (8,48,436.00) |
| Weighted Average No. of Equity shares | 10,000 | 10,000 |
| Basic & Diluted EPS (in Rs.)* | (221.16) | (84.84) |

*1% Optionally Convertible Cumulative Redeemable Preference Shares ("OCCRPS") that could potentially Diluted EPS but we are not included in calculation of DEPS because they are Anti-dilutive.

VIII. Going Concern:

As at 31st March 2022, the Company has accumulated losses of Rs. 30,72,596/- (previous year ended 31st March 2021 of Rs.8,61,007/-) net current liabilities of Rs.1,02,478/-(previous year ended 31st March 2021 of Rs. 83,795/-).

Management believes that the company will be able to continue operation as a going concern and meet all its liabilities, as they fall due for payment in the foreseeable future. Company business strategies and operating plan of the company provides assurance that the company will continue to generate adequate cash flow to meet all its liabilities as they fall due.

Accordingly, the management is confident that the financial statement does not require any adjustment and are continued to be prepare on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

IX. The Company was incorporated on 02/12/2019 so the figures in the previous financial statements are for the period from 01st April, 2020 to 31st March, 2021.

X. Disclosure requirements u/s 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Company has certain transactions with supplier (trade & Capital) registered under Micro, Small and Medium Enterprises Development Act,2006 (MSMED Act). The disclosure pursuant to the said MSMED Act are as follows:

| Particulars | As at March 31,2022 (Amount in Rs.) | As at March 31,2021 (Amount in Rs.) |
|---|---|---|
| Principal amount due to supplier registered under the MSMED Act and remaining unpaid as at year end | NIL | NIL |
| Interest due to supplier registered under the MSMED Act and remaining unpaid as at year end | NIL | NIL |
| Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| Interest paid, other than section 16 of the MSMED act, due to supplier registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| Interest paid, under section 16 of the MSMED act, due to supplier registered under the MSMED Act, beyond the appointed day during the year | NIL | NIL |
| Interest due and payable toward suppliers registered under MSMED Act, for the payment already made. | NIL | NIL |
| Further interest remaining due and payable for the earlier years | NIL | NIL |

XI. Dividends

No dividend has been declared by the board for the current financial year.

XII. Segment

The company is engaged mainly in the business of Real Estate Promoters, Developers & Project Management. These in the context of Ind AS 108-Operation Segment reporting are considered to constitute one reporting segment.

XIII. Related Party Disclosures (as prescribed under IND AS-24)**(I) Relationships**

(A) Enterprises that control or are controlled by or are under common control with the reporting enterprises –

- | | | | |
|-------|-----------------------------|---|---|
| (i) | Holding Company | : | Healthcare Energy Foods Private Limited |
| (ii) | Ultimate Holding Company | : | Sai Capital Limited |
| (iii) | Subsidiary Company | : | NIL |
| (iv) | Fellow Subsidiary Companies | : | NIL |

(B) Associates and Joint Ventures : NIL

(C) Individuals owning, directly or indirectly, 20% or more voting power of the reporting enterprise and relatives of any such individual: **NIL**

(D) Key management personnel and relatives of such personnel

- i. Mr. Ankur Rawat (Director)
- ii. Mrs. Shikha Arora (Director) (Cease on 19th April, 2021)
- iii. Mrs. Kamlesh Gupta (Director)

(E) Enterprises over which any person described in (c) or (d) is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise: **NIL**

(II) The Following transactions were carried out with related parties in the ordinary course of business

| Nature of Transaction | | Holding Company | | Outstanding Balance as on | |
|---|------------------------|-----------------|--------------|---------------------------|--------------|
| | | March-22 | March-21 | March-22 | March-21 |
| <u>Borrowing:</u> Healthcare Energy Foods Private Limited | 6% interest Annually & | 0.00 | 272.61 Lakhs | 0.00 | 272.61 Lakhs |

| | Repayment on Demand | | | | |
|--|---|----------------------|-------------|---------------------|-------------|
| Issue of Preference Share(OCCRPS): Healthcare Energy Foods Private Limited | 1% Optionally Convertible Cumulative Redeemable Preference Shares on or before 10 years ("OCCRPS") | 300.00 Lakhs* | 0.00 | 300.00 Lakhs | 0.00 |

*As per Ind AS classification of OCCRPS:

- o Equity component of compound financial instruments Rs. 210.48 Lakhs
- o Liability component of compound financial instruments Rs. 89.52 Lakhs

XIV. Investment in property:

Owner occupied property: Company had acquired residential property at Goa for leasing and held for capital appreciation:

| Relevant line item in Balance Sheet | Description of items of Property | Gross Carrying Value (Rs. in Lakhs) | Title Deed held in the name of | Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company** |
|-------------------------------------|--|-------------------------------------|--------------------------------------|---|--------------------------------|--|
| Investment property | Residential Building (Land & Building) | 252.30 | Unisphere Industries Private Limited | N.A. | 18-12-2020 | N.A. |

- a) **Address of Property:** House No. ADG/19/309 at Village Curca, Bambolim and Talaulim, Taluka Tiswadi, Goa.
- b) Due to property is under renovation and same has been completed during current financial year. So fair value of property is same as carrying amount.
- c) Expenses of property reported as Under:

| Nature of expenses | Amount (Rs.in Lakhs) |
|-----------------------|----------------------|
| Interest on borrowing | 16.43 |
| Electricity Expenses | 0.65 |
| Lift AMC | 0.48 |
| Maintenance Charges | 0.24 |
| Water Charges | 0.20 |
| Total | 18.00 |

- d) There is no restriction in existence and amounts of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

XV. Ratios:

| Particulars | Numerator | Denominator | 31-03-2022 | 31-03-2021 | % Variance | Reason for Variance |
|--------------------------------------|--|---|------------|------------|----------------|---------------------|
| (a) Current Ratio | Current Asset | Current Liabilities | | | | |
| | 12,96,632 | 1,02,478 | 12.65 | | - 45975.23% | Note 1 (a) |
| | 7,50,930 | 2,73,45,187 | | 0.03 | | |
| (b) Debt-Equity Ratio | Total Debt | Shareholder's Equity | | | | |
| | 89,51,580 | 1,80,75,824 | 0.50 | | 101.38% | Note 1 (b) |
| | 2,72,61,392 | 7,61,007 | | -35.82 | | |
| (c) Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ finance cost | Debt service = Interest & Lease Payments + Principal Repayments | | | | |
| | -5,68,508 | 16,43,081 | -0.35 | | -17.82% | Note 1 (c) |
| | -1,92,600 | 6,55,836 | | -0.29 | | |
| (d) Return on Equity Ratio | Net Profits after taxes | Average Shareholder's Equity | | | | |
| | -22,11,589 | 1,80,75,824 | -0.12 | | | |
| | -8,48,436 | 7,61,007 | | 1.11 | 110.97% | Note 1 (d) |
| (e) Trade Receivables turnover ratio | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | | | | |
| | N.A. | N.A. | N.A. | | N.A. | N.A. |
| | N.A. | N.A. | | N.A. | | |

| | | | | | | |
|-----------------------------------|--|--|-------|-------|----------|------------|
| (f) Trade payables turnover ratio | Other expenses + Employee benefit expenses | Average Trade Payable | | | | |
| | N.A. | N.A. | N.A. | | N.A. | N.A. |
| | N.A. | N.A. | | N.A. | | |
| (g) Inventory turnover ratio | Cost of Goods Sold | Average Inventory | | | | |
| | N.A. | N.A. | N.A. | | N.A. | N.A. |
| | N.A. | N.A. | | N.A. | | |
| (h) Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | | | | |
| | N.A. | 11,94,154 | N.A. | | N.A. | N.A. |
| | N.A. | - | | N.A. | | |
| | N.A. | 2,65,94,257 | | | | |
| (i) Net profit ratio | Net Profit after taxes | Net sales = Total sales - sales return | | | | |
| | -22,11,589 | N.A. | N.A. | | N.A. | N.A. |
| | -8,48,436 | N.A. | | N.A. | | |
| (j) Return on Capital employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt | | | | |
| | -5,68,508 | 2,70,27,404 | -0.02 | | -189.42% | Note 1 (e) |
| | -1,92,600 | 2,65,00,385 | | -0.01 | | |
| (k) Return on investment | Finance Income | Time weighted average Investment | | | | |
| | N.A. | N.A. | N.A. | | N.A. | N.A. |
| | N.A. | N.A. | | N.A. | | |

Note 1(a) : Due to loss of current year and repayment of short term borrowings.

Note 1(b) : Due to loss of current year and decrease of Borrowing and equity component of compound financial instruments (“OCCRPS”).

Note 1(c) : Due to loss of current year.

Note 1(d) : Due to loss of current year.

Note 1(e) : Due to loss of current year.

XVI. Financial risk management

The company has exposure to the following risk arising from financial instruments.

- Credit risk
- Liquidity risk, and
- Market risk

a. Credit Risk

Credit risk is the risk that a counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analyzing credit limits and credit-worthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

b. Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors company's net liquidity position rolling forecasts on the basis of expected cash flows.

Maturity pattern of financial liabilities

| Non derivative financial liabilities (March 31, 2022) | Carrying amounts in Lakhs | Contractual cash flows | | | | |
|--|---------------------------|------------------------|-----------|-----------|-----------|-------------------|
| | | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
| Borrowings (Liability component of compound Financial Instruments) | 89.51 | 89.51 | 0 | 0 | 0 | 89.51 |
| Trade payables | 0 | 0 | 0 | 0 | 0 | 0 |
| Other payables | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Expenses Payable | 0 | 0 | 0 | 0 | 0 | 0 |
| Duties & Taxes Payable | 0 | 0 | 0 | 0 | 0 | 0 |

| | | |
|--|--|------------------------|
| | | Contractual cash flows |
|--|--|------------------------|

| Non derivative financial liabilities (March 31, 2021) | Carrying amounts in Lakhs | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
|--|----------------------------------|--------------|------------------|------------------|------------------|--------------------------|
| Borrowings and interest thereon | 272.61 | 272.61 | 272.61 | 0 | 0 | 0 |
| Trade payables | 0 | 0 | 0 | 0 | 0 | 0 |
| Other payables | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Expenses Payable | 0 | 0 | 0 | 0 | 0 | 0 |
| Duties & Taxes Payable | 0 | 0 | 0 | 0 | 0 | 0 |

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instrument affected by market risk include loans and borrowings, deposits and investments. 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.

XVII. Fair Value Measurement

a) Financial Instrument by Category

| Particulars | Amounts in Lakhs | | | | | |
|--|----------------------------|---------------------|------------------------------|----------------------------|---------------------|------------------------------|
| | As at 31 March 2021 | | | As at 31 March 2021 | | |
| | <u>FVPL</u> | <u>FVOCI</u> | <u>Amortised Cost</u> | <u>FVPL</u> | <u>FVOCI</u> | <u>Amortised Cost</u> |
| <u>Financial Assets</u> | | | | | | |
| <u>(A) Non-Current</u> | | | | | | |
| (i) Investment other than Subsidiaries | Nil | Nil | Nil | Nil | Nil | Nil |
| (ii) Loan | Nil | Nil | Nil | Nil | Nil | Nil |
| (iii) Other Financial Assets | NIL | Nil | Nil | NIL | Nil | Nil |
| <u>(B) Current</u> | | | | | | |
| (i) Trade Receivable | Nil | Nil | Nil | Nil | Nil | Nil |

| | | | | | | |
|--|-----|-----|-------|-----|-----|--------|
| (ii)Cash & Cash Equivalents | Nil | Nil | 12.49 | Nil | Nil | 6.99 |
| (iii)Bank Balance other than Cash & Cash Equivalents | Nil | Nil | Nil | Nil | Nil | Nil |
| (iv)Loans | Nil | Nil | Nil | Nil | Nil | Nil |
| (v)Other Financial Assets | Nil | Nil | Nil | Nil | Nil | Nil |
| Financial Liabilities | | | | | | |
| (A)Non-Current | | | | | | |
| (i)Borrowings | Nil | Nil | 89.52 | Nil | Nil | Nil |
| (ii)Other Financial Liabilities | Nil | Nil | Nil | Nil | Nil | Nil |
| (B) Current | | | | | | |
| (i)Borrowings | Nil | Nil | Nil | Nil | Nil | 272.61 |
| (ii)Trade Payable | Nil | Nil | Nil | Nil | Nil | Nil |
| (iii)Other Financial Liabilities | Nil | Nil | Nil | Nil | Nil | Nil |

b) Fair value of Preference share (“OCCRPS”) :

The fair value measurement for preference share capital (1% Optionally Convertible Cumulative Redeemable Preference Shares (“OCCRPS”)) have been categorized as “*estimate using with and Without Approach*” fair value based on the inputs to the valuation techniques used.

With Scenario:

- The Company raised INR 3.0 Crores through convertible note financing. Given the proximity of the financing to the Valuation Date, the Precedent Transaction Method was deemed an appropriate methodology to use in estimating the equity value of the company. The implied equity value was estimated at INR 3,00,88,244.
- The estimated equity value was then allocated using an OPM between all classes of shares. The key inputs to the OPM were:
 - o Time = 10 years; based on the expiry of the OCCRPS
 - o Risk-free rate = 7.09%; based on the yield on a 10-year government bond
 - o Volatility = 51.16%; based on peer group historical volatility for a 10-year look back period.
- In the with Scenario, the Note was modeled as a non-participating instrument, where the investor will first receive their invested capital and dividends and then convert to common shares when favorable.
- The fair value of Note under the with Scenario was estimated at INR 3.0 Crores.

Without Scenario:

- The equity value estimated in the with Scenario was allocated using an OPM between all classes of shares. The key inputs to the OPM were:
 - o Time = 10 years; based on the expiry of the OCCRPS
 - o Risk-free rate = 7.09%; based on the yield on a 10-year government bond
 - o Volatility = 51.16%; based on peer group historical volatility for a 10-year look back period.
- In the Without Scenario, the Note was modeled as a plain vanilla debt instrument and will

only receive the invested capital and dividends. No conversion rights were included in the Without Scenario.

- The fair value of Note under the Without Scenario was estimated at INR 0.90 Crores.

Conclusion

- The fair value of the Feature was then estimated as the fair value of note under the With Scenario less the fair value of note under the Without Scenario.
- The concluded fair value of the Feature was INR 2.1 Crores.
- Please refer to Exhibit 1 for details.

| | |
|--|--------------|
| [1] With Scenario - Fair Value of OCCRPS Series - I (a) | ₹ 30,000,000 |
| [2] Without Scenario - Fair Value of OCCRPS Series - I (b) | ₹ 8,951,580 |
| Value of the Conversion Feature (a - b) | ₹ 21,048,420 |
| Balance Sheet: | |
| Liability | ₹ 8,951,580 |
| Equity | ₹ 21,048,420 |

FOR UNISPHERE INDUSTRIES PRIVATE LIMITED

(Kamlesh Gupta)

Director

DIN: 07243898

Address: 11/234, Geeta Colony,

Near Axis bank

Delhi, India-110031

(Ankur Rawat)

Director

DIN: 07682969

Address: Panchami Residency, Flat

No 608, Chandni Chowk, Kanke Road

Near Hotel Holiday Home,

Misirgonda Alias Pahargaon, Ranchi-
834008, Jharkhand

Place-New Delhi

Date- 26th May 2022

UNISPHERE INDUSTRIES PRIVATE LIMITED
FINANCIAL YEAR 2021-2022

14. SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENT

14.1 Background and Operations

Unisphere Industries Private Limited (“the company”) is engaged as Real Estate Promoters, Developers & Project Managers for civil, mechanical, energy, power, electrical and all other types of erection. The company is private limited company incorporated and domiciled in India and has its registered office at B-143, Okhla Industrial Area, Phase –I, New Delhi-110020.

The Company is a Subsidiary Company of Healthcare Energy Foods Private Limited which owns 100% of the ordinary share Capital of the company, and has the ability to significantly influence the Company’s Operation.

The Ultimate parent company is Sai Capital Limited which hold 98.10% shares (voting right) of Healthcare Energy Foods Private Limited.

14.2 Significant Accounting Policies

1.1. Basis of preparation and presentation

(a) Statement of Compliance with IND-AS

The Financial Statements comply in all material aspect with Indian Accounting Standards (referred to as “IndAS”) notified under section 133 of the Companies Act, 2013 readwith the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(b) Basis of preparation

The financial statements have been prepared on historical cost basis unless otherwise stated. The historical cost basis has been followed except certain financial assets and liabilities measured at fair value.

These standalone financial statements have been prepared in all material respects in accordance with the Indian Accounting Standards (Hereinafter referred as ‘Ind AS’ as notified by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The company has uniformly applied the accounting policies during the periods presented.

The Standalone Financial Statements have been prepared on accrual and going concern basis.

Current versus Non-current classification:

The company presents assets and liabilities in statement of financial position based on current / noncurrent classification.

The company has presented non- current and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Divison II of the companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is

- a) Expected to be settled in normal operating cycle
- b) Held primarily for the purpose of trading
- c) 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Assets and liabilities are classified as current to the extent they are expected to be realized / are contractually repayable within 12 months from the Balance Sheet date and as non-current, in other cases. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Use of Estimates and Judgments

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions about significant are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future period affected.

Impairment of Investments

The company reviews its carrying value of Investment carries at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful life of property, plant and equipment

The company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. Thus assessment may result in change in depreciation expense in future periods.

Valuation of Deferred assets/ Liabilities

The company reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period.

(d) Revenue Recognition

(i) Revenue from Contract with customers

Revenue from Lease rental is recognised on Accrual basis.

Revenue from services including those embedded in contract for Project Managers for civil, mechanical, energy, power, electrical and all other types of erection services mainly in case of AMC Services, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Revenue excludes any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax.

No element of financing is deemed present as sales are made with a credit term which is consistent with market practise.

(ii) Other Revenue

Consultancy income is recognised on Accrual basis.

(e) Cost Recognition

Cost and expenses are recognized when incurred and are classified according to their nature.

(f) Provisions and contingencies

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount to the obligation. If the time value of money is material, provisions are discounted using equivalent period government security interest rate. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not only within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to Financial Statement. Contingent assets are not recognized. However, when the realisation of income is reasonable certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

(g) Foreign Currency

The company has not entered into any transaction in foreign currency.

(h) Income Taxes

Income tax expenses comprise current and deferred taxes. Income tax expense is recognized in the statement of Profit and Loss except when they relate to items that are recognized outside profit or loss, in which case tax is also recognized outside profit or loss.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are set off, and presented as net.

Deferred tax is recognized on difference between the carrying amount of asset and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and Deferred tax liabilities are set off and presented as net.

The carrying amount of Deferred tax assets / liabilities is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient profits will be available against which the temporary differences can be utilised.

(i) Property, Plant and Equipment and depreciation / amortisation

Property, plant and equipment are stated at their cost of acquisition / construction, net of accumulated depreciation and impairment losses, if any. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Property Plant & Equipment, which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital Work in Progress.

Borrowing cost directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for intended use.

The 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 assets and is recognized in statement of profit and loss.

The Residual Value, useful life, and method of depreciation, of Property, Plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Property, plant and equipment are depreciated on Written Down Value method on the basis of useful life of asset as specified in Schedule II of the companies Act, 2013.

(j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

(k) Employee Benefit Expense

- (a) Short term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc. Are recognized in the profit and loss account.
- (b) The company does not have the policy of leave encashment, so there is no liability has been booked on this account.

- (c) Gratuity benefit is accounted for on the basis of actuarial valuation made at the end of the year and is not funded. The actuarial method used for measuring the liability is the Projected Unit Credit Method. Gains and losses arising out of actuarial valuations on defined benefits plans i.e. gratuity is recognized immediately in the statement of comprehensive income as income or expense.

Expense or service cost, net of interest on net defined benefit liability (asset) is charged to Statement of Profit and loss.

IND AS 19 does not require segregation of provision in current and non-current, however net defined liability (asset) is shown as current and non-current provision in Balance sheet as per IND AS 1.

(I) Investments and other Financial assets

A financial instrument is any contract that gives a right to a financial asset on one entity and a financial liability or equity instrument of another entity.

a) Investment in property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

b) Financial Asset

I. Classification

The company classifies its financial asset in the following measurement categories

- (i) those to be measured subsequently at amortized cost at fair value either through other comprehensive Income (FVOCI) or fair value through profit or loss (FVPL),
- (ii) those measured at amortised cost

The classification depends on its business model for managing those financial assets and the assets contractual cash flow characteristics.

II. Initial recognition and measurement

The company recognizes financial assets when it becomes a party to the contractual provisions of the instruments. All financial assets are recognized initially at fair value plus, in the case of financial assets not

recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

III. Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories

1. Financial assets at amortized cost.
2. Financial assets measured at fair value through profit or loss.
3. Financial assets measured at fair value through OCI.
4. Equity Investments.

Measured at amortized cost

A Financial asset is measured at the amortized cost if both the following conditions are met:

1. The assets are held within a business model objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest of the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR.

Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Standalone Statement of Profit and Loss. On derecognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Standalone Statement of Profit and Loss.

Measured at fair value through Profit or loss

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as other income in the Standalone Statement of Profit and Loss.

Equity Instruments

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Company has elected to present fair value gains and losses on such equity investments in other comprehensive income and there is no subsequent reclassification of these fair value gains and losses to the Standalone Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate companies and joint venture company:

Investments in subsidiary companies, associate companies and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate companies and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

IV. Impairment of financial assets

The company applies “simplified approach” measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits and bank balances.
- Trade receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

c) **Financial Liabilities**

I. Classification

The company classifies all financial liabilities as subsequently measured at amortized cost.

II. Recognition and measurements

All financial liabilities are recognized initially at fair value less transaction costs and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

In case of loan repayable within one year the carrying amount is considered as fair value of the financial liability.

d) De-recognition of Financial assets and Financial liabilities

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

(m) Borrowing Costs

Borrowing costs relating to construction of qualifying asset under project are capitalized till the time all substantial activities necessary to prepare the qualifying assets project for their intended use or sale as the case may be are complete. A qualifying asset is an asset that necessarily takes substantial period or time to get ready for its intended use / sale. All other borrowing costs not eligible for capitalization are charged to revenue.

(n) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in 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.

(o) Fair Value Measurement

The company measures financial instruments, such as investments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that the market participants would use when pricing the asset or liability, assuming that market participant act in their economic best interest.

A fair value measurement of a non-financial asset takes place into account a market participants ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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