



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOLIX SOFTECH PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Solix Softech Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

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

- a) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2022;
- b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
- c) in the case of the, cash flow statement for the year ended on that date;

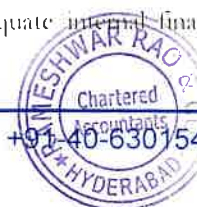
Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India(ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial



controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 Directors Report, but does not include financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. (A) As required by Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

(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 Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
 - Based on the audit procedures adopted by us, nothing has come to our notice
- v. No Dividends has been declared or paid during the year by the Company.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

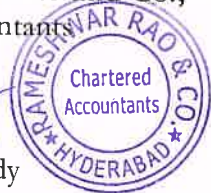
In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors is applicable only to the public company. Accordingly, the matter to be included in the Auditor's Report under section 197(16) of the Act is not applicable to the company.

For Rameshwar Rao and Co.,

Chartered Accountants

FRN: 010887S

V Vasudeva Reddy



V Vasudeva Reddy

Partner

Membership No. 209546

Place : Hyderabad

Date : 20-05-2022

UDIN :- 22209546AJIMHC5076

ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/s. SOLIX SOFTECH PRIVATE LIMITED

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangibles assets.
 - (b) Property, Plant and Equipment were physically verified by the management in the current year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. Five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made investments in, provided any 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, hence provisions under para 3(iii) are not applicable to the company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of loans, investments, guarantees, and securities.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed

- amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and as per our verification of the records of the company, there are no disputed amounts of tax/duty that have been deposited with appropriate authorities as 31st March 2022.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not obtained any terms loans.
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.
(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year, company has not made preferential allotment or private placement of shares, and in our opinion and according to the information and explanations given to us this clause is not applicable.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) Company does not have internal audit system in place and even Section 138 of the companies act, 2013 is not applicable to the company, and accordingly Internal Audit system is not mandatory for the company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the

Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses..
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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) Section 135 of the companies Act, 2013 is not applicable to the company, accordingly reporting on clause 3(xx) of the Order is not applicable to the Company.
- (xxi) Consolidation of Financial Statement is not applicable to the company, accordingly reporting on clause 3(xxi) of the Order is not applicable to the Company.

For Rameshwar Rao and Co.,

Chartered Accountants

FRN: 010887S

V Vasudeva Reddy

Partner

Membership No. 209546

Place : Hyderabad

Date :20-05-2022



Solix Softech Private Limited
CIN. U72200TG2011PTC078231
Balancesheet as on 31st March, 2022

Particulars	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	8400.27	1479.35
Intangible assets		0.00	0.00
Deferred tax assets (net)	4	308.58	51.32
Total non-current assets		8708.85	1530.67
Current assets			
Financial assets			
Trade receivables	6	22119.46	12022.84
Cash and cash equivalents	7	1277.67	14885.84
Other current assets	5	3119.14	2175.06
Total current assets		26516.28	29083.74
Total assets		35225.13	30614.41
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	100.00	100.00
Other equity		0.00	0.00
Retained earnings		16171.80	15093.55
Total equity		16271.80	15193.55
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings		-	-
Provisions		-	-
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Current liabilities			
Financial liabilities			
Borrowings			
Trade payables		-	-
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	9	521.58	185.49
Current maturities and other liabilities		0.00	0.00
Other current liabilities	10	18137.12	14613.83
Deferred tax liabilities	4	0.00	0.00
Income tax liabilities (net)	11	294.62	621.53
Total current liabilities		18953.33	15420.86
Total - equity and liabilities		35225.13	30614.41

Summary of significant accounting policies

22

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

As per our report of even date

For Rameshwar Rao and Co
Chartered Accountants
FRN 010887S

(V Vasudeva Reddy)
Partner
M No 209546
UDIN NO:22209546AJIMHC5076



For and on behalf of the Board of Directors
SOLIX SOFTECH PRIVATE LIMITED

P S Somayajulu
Director
DIN 05221729

V Bharu Prakash
Director
DIN 05221738



Place :- Hyderabad

Date :- 20/05/2022

Solix Softech Private Limited

CIN. U72200TG2011PTC078231

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

	Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I.	INCOME			
	Revenue from operations	12	195,212.80	136,524.23
	Less: Excise Duty		-	-
	Revenue from Operations (Net)		195,212.80	136,524.23
	Other income	13	3.84	5.33
	Total income (I)		195,216.64	136,529.56
II.	EXPENSES			
	Cost of materials consumed		-	-
	Purchase of traded goods		-	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
	Excise duty		-	-
	Employee benefits expenses	14	190,580.62	132,588.13
	Other expenses	15	1,562.72	2,115.39
	Total expenses (II)		192,143.34	134,703,524.56
III.	Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)		3,073.30	1,826.03
	Depreciation and amortisation	3	1,927.75	594.42
	Finance costs	16	26.98	45.38
IV.	Profit before Exceptional Items and Tax		1,118.57	1,186.24
	Exceptional Items		-	-
V.	Profit before Tax		1,118.57	1,186.24
VI.	Tax expense	17	-	-
	Current tax		297.59	421.50
	Deferred tax		257.26	(4.40)
	Income tax expense		40.32	417.10
VII.	Profit for the year from Continuing Operations (IV-V)		1,078.25	769.13
VIII.	Profit/Loss for the year from Discontinued Operations		-	-
IX.	Tax expense of Discontinued Operations		-	-
X.	Profit/Loss for the year from Discontinued Operations after Tax		-	-
XI.	Profit/Loss for the Year (VI+IX)		1,078.25	769.13
	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
XII.	Total Comprehensive Income for the Period (X+XI) (Comprising Profit/(Loss) & Other Comprehensive Income for the period)		1,078.25	769.13
XIII.	Earning per Equity Share(for continuing operations):			
	Basic		0.11	0.08
	Diluted		0.11	0.08
XIV.	Earning per Equity Share(for discontinuing operations):			
	Basic		-	-
	Diluted		-	-
XV.	Earning per Equity Share(for continuing and discontinuing operations):			
	Basic		0.11	0.08
	Diluted		0.11	0.08
	Summary of significant accounting policies	2.2		

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

As per our report of even date

For Rameshwar Rao and Co

Chartered Accountants
FRN 010887S

(V Vasudeva Reddy)

Partner

M No 209546

UDIN NO:22209546AJIMHC5076

Place :- Hyderabad

Date :-

20/05/2022



For and on behalf of the Board of Directors
SOLIX SOFTECH PRIVATE LIMITED

P S Somayajulu

Director

DIN 05221729

V Bhanu Prakash

Director

DIN 05221738



Solix Softech Private Limited

CIN. U72200TG2011PTC078231

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

4	Deferred tax assets (Net)		
	Particulars	March 31, 2022	March 31, 2021
	Deferred tax liability		
	Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment	-	-
	Income tax on deferred revenue on embedded leases	-	-
	(A)	-	-
	Deferred tax asset		
	Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment	308.58	51.32
	(B)	308.58	51.32
	Deferred tax assets (Net) (A+B)	308.58	51.32
5	Other assets		
	Current (unsecured, considered good unless otherwise stated)		
	Particulars	March 31, 2022	March 31, 2021
	Security deposits	63.97	1,063.97
	Advances recoverable in cash or kind		-
	Unamortised processing fee		
	Prepayments	355.49	159.57
	Balances with statutory/Government authorities	2,499.68	751.52
	Unadjusted share issue expenses		
	Advance tax paid	200.00	200.00
	Others		
	Total	3,119.14	2,175.06
6	Trade receivables		
	Particulars	March 31, 2022	March 31, 2021
	Unsecured		
	Considered good	22,119.46	12,022.84
	Reveivable from related parties	-	-
	Credit impaired	-	-
		22,119.46	12,022.84
	Less: Allowance for doubtful debts	-	-
		22,119.46	12,022.84
7	Cash and cash equivalents and other bank balances		
	Particulars	March 31, 2022	March 31, 2021
	Cash and cash equivalents		
	Balances with banks	401.18	14,379.61
	- On current accounts	-	-
	- On Dividend Accounts	-	-
	- Deposits with original maturity of less than three months	-	-
	Cash on hand	876.49	506.22
	Total	1,277.67	14,885.84



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Solix Softech Private Limited
CIN. U72200TG2011PTC078231

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

8 Equity share capital

Particulars		March 31, 2022	March 31, 2021		
a) Authorised					
At the beginning of the Year (10000 shares of Rs. 10/- each)		100	100		
Additions during the year		-	-		
At the end of the Year		100.00	100.00		
b) Movement in the Paid Up Capital					
At the beginning of the Year (10000 shares of Rs. 10/- each)		100.00	100.00		
Changes during the year		-	-		
At the end of the Year		100.00	100.00		
c) Par value of Each Share (Rs. In Actual)		10/-	10/-		
d) Number of shares outstanding at the beginning of the year		10000	10000		
Changes during the year		-	-		
Number of shares outstanding at the end of the year		10,000	10,000		
8.1 During the five years immediately preceding the current financial year, the company has not issued any shares without payment being received in cash, nor issued any bonus shares. neither did the company buy back any shares during the said period.					
8.2 Rights attached to equity shares The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.					
8.2a Liquidation terms and preferential rights The liquidation terms of the equity shares are as follows: (a) If the company shall be wound up, the Liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.					
8.3 Details of shareholders holding more than 5% shares of the Company:					
Particulars		March 31, 2022		March 31, 2021	
Equity shares of Rs. 10/- each held by		% Holding	No.	% Holding	No.
M/S. Solix Technologies Inc., USA		99%	9,999	99%	9,999
8.4 Shares held by Promoter at the end of the year					
Promoter Name		No. of Shares	% of Total Shares	% change during the year	
M/S. Solix Technologies Inc., USA		9,999	100	-	



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9 Financial liabilities

Particulars	March 31, 2022	March 31, 2021
Trade payables		
Particulars	March 31, 2022	March 31, 2021
Valued at amortised cost		
- Total outstanding dues to creditors other than micro enterprises and small enterprises	521.58	185.49
- Outstanding dues to related parties	-	-
Total	521.58	185.49
- Total outstanding dues to micro enterprises and small enterprises		
Valued at fair value through profit or loss		
- Outstanding derivative contracts	-	-
Total	-	-
Terms and conditions of the above financial liabilities: Trade payables are non-interest bearing and are normally settled on 30-180 day terms. For explanations on the Company's credit risk management processes.		
10 Other non-current and current liabilities		
Particulars	March 31, 2022	March 31, 2021
A) Non-current		
Advances from customers	-	-
Total	-	-
B) Current		
Advances from customers	-	-
Statutory dues	2,900.28	2,354.01
Salaries and other payables to employees	15,200.84	12,259.82
Audit fee payable	36.00	-
Total	18,137.12	14,613.83
11 Income tax assets/liabilities		
Particulars	March 31, 2022	March 31, 2021
A) Income tax assets		
Advance tax (net)	-	-
Tax paid under protest	-	-
	-	-
B) Income tax liabilities		
Provision for taxes (net)	294.62	621.53
	294.62	621.53



Solix Softech Private Limited
Statement of Changes in Equity for the year ended March 31, 2022

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Total	100.00	-	100.00	-	100.00
Previous Reporting Period as on 31st March, 2021					
Particulars	Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
Total	100.00	-	100.00	-	100.00
2. Other Equity					
Particulars	Capital reserve	Reserves and surplus	Retained Earnings	Effective portion of cash flow hedge	Other comprehensive income
		Securities Premium			Re-measurement gains or losses on employee defined benefit plan
		Share based payments reserve			
					Total
As at March 31, 2020					
Profit for the year	-	-	14,324.42	-	-
Expense arising from equity-settled share-based payment transactions	-	-	769.13	-	-
Transferred from stock options outstanding	-	-	-	-	-
Final dividend on equity shares	-	-	-	-	-
Tax on final dividend on equity shares	-	-	-	-	-
Reassessment on net defined benefit liability, net of tax	-	-	-	-	-
As at March 31, 2021					
Profit for the year	-	-	15,093.55	-	-
Expense arising from equity-settled share-based payment transactions	-	-	3,078.25	-	-
Transferred from stock options outstanding	-	-	-	-	-
Final dividend on equity shares	-	-	-	-	-
Tax on final dividend on equity shares	-	-	-	-	-
Reassessment on net defined benefit liability, net of tax	-	-	-	-	-
As at March 31, 2022					
			16,171.80		
Total					16,171.80

For and on behalf of the Board of Directors
SOLIX SOFTECH PRIVATE LIMITED

 V. Bharat Prakash
 Director
 DIN: 05221738

For Rameshwar Rao and Co
 Chartered Accountants
 FIRM U1008375

 (V. Vasudeva Reddy)
 Partner
 M No 209546
 UDIN NO:2209546/JMHC5076



Place: Hyderabad
 Date: 20/03/2022

Solix Softech Private Limited
Cash Flow Statement for the year ending March 31, 2022
(All amounts are in Thousands, unless otherwise stated)

Particulars	Amount in Rs.	
	March 31, 2022	March 31, 2021
A) Cash Flows from Operating Activities		
Profit before Tax	1,118.57	1,186.24
Adjustment to reconcile loss before tax to net cash flows	-	-
Depreciation and amortization expense	1,927.75	594.42
Interest income	-	-
Finance cost	-	-
Operating cashflow before working capital changes	3,046.32	1,780.66
Movements in working capital:		
(Increase)/Decrease in Short Term Loans & Advances		
(Increase)/Decrease in Current Assets	(944.08)	(953.02)
(Increase)/Decrease in Trade Receivable	(10,096.63)	9,049.27
Increase/(Decrease) in Trade Payables	336.09	(32.33)
Increase/(Decrease) in Short Term Provisions		
Increase/(Decrease) in Other Current Liabilities	3,523.29	5,167.78
Cash generated from operations	(4,135.00)	15,012.36
Income tax paid (net)	(624.50)	(134.34)
Net Cash from Operating Activities (A)	(4,759.50)	14,878.02
B) Cash Flows from/(used in) Investing Activities		
Purchase of New Equipment	(8,848.66)	(567.78)
Interest		
Sale of Investments		
Net Cash from/(used in) Investing Activities (B)	(8,848.66)	(567.78)
C) Cash Flows from from/(used in) Financing Activities		
Increase/(Decrease) in Long Term Loans and Advances		
Increase/(Decrease) in Long Term Borrowings		
Net Cash from/(used in) Financing Activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(13,608.16)	14,310.24
Cash and Cash Equivalents at the Beginning of the Year	14,885.84	575.60
Cash and Cash Equivalents at the End of the Year	1,277.67	14,885.84
Components of cash and cash equivalents		
Cash on hand	876.49	506.22
Balances with schedule banks:		
- On current accounts	401.18	14,379.61
- Deposits with original maturity less than 3 months		
Total cash and cash equivalents	1,277.67	14,885.84

As per our report of even date attached

For Rameshwar Rao and CO.,
Chartered Accountants
ICAI FRN : 0108875

(V. Vasudeva Reddy)
Partner
Membership No. 209546
UDIN NO:22209546AJIMHC5076

Place: Secunderabad

Date: 20/05/2022



for and behalf of the Board

P.S. Somayajulu
Director
DIN. 05221729

V. Bhanu Prakash
Director
DIN. 05221738



**Notes to financial statements for the year ended March 31, 2022.
(All amounts are in Indian Rupees Lakhs unless otherwise stated)**

1. CORPORATE INFORMATION

Solix Softech Private Limited ('SSPL') is a Private company incorporated and Domiciled in India, having its registered office at Hyderabad, Telangana, India.

Solix Softech Private Limited ('SSPL') is engaged in the business of Development of Software Products, Solution and customization, Technical Support, Networking Services, Professional services, Customer services, Certification, Marketing of Software and Hardware, On/Off-site Consultancy Services, Providing of Internet and Internet services, E-Commerce, Email Services Product and Commercial Training, Image Processing and Products, Data Communication, Market Feasibility Studies, Data Warehousing, Indexing and Abstraction, conversion, solid Modeling, Financial Applications and Services, Business intelligence Application and Services, Analytical Applications and Services, Business Process Automation Application and Services, Work Flow Management solutions, Electronic Invoice Presentment and Payment Solution and Services, Financial Process Management Application and Services, Operations Management Applications and Services, Enterprise Application and Services and to buy, sell, deal, import, export, design and develop systems, software, provide consultancy services on financial, manufacturing, technical, managerial and marketing either in or outside India.. These financial statements are authorised by the Board of Directors for issue in accordance with their resolution dated 20th May 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, ("the Act") read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs as amended from time to time and other relevant provisions of the Act and Central Electricity Regulatory Commission (CERC) to the extent relevant and applicable. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

2.2 Summary of significant accounting policies

A) Key estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



(i) Depreciation on Property, Plant and equipment

Depreciation is provided in accordance with Schedule II prescribed under Section 133 of Companies Act, 2013 on the basis of useful life of the respective assets. Depreciation on additions/deletions during the year is being provided for, on a prorate basis with reference to the month in which such asset is added or deleted, as the case may be. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Taxes

- a) **Current Tax:** Tax expense for the period, comprising of current tax and deferred tax, are included in the determination of the net profit or loss for the year. Provision for Current tax is made for the amount expected to be paid in respect of the taxable income for the year in accordance with the current tax laws.
- b) **Deferred Tax:** Deferred tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one period and is capable of reversal in subsequent periods, subject to consideration of prudence.
- c) **Minimum Alternative Tax:** MAT credit is recognized as an asset only to the extent based on a possible evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is adjusted to the extent there is no longer possible evidence to the effect that the Company will pay normal income tax during the specified year.

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the relevant cash generating period (not exceeding the PPA term) and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the Cash Generating Unit (CGU) being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Valuation of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

(vi) Defined benefit plan

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

B) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items and borrowing cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance expenditure are charged to profit or loss during the period in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

C) Depreciation

Depreciation is provided in accordance with Schedule II prescribed under Section 133 of Companies Act, 2013 on the basis of useful life of the respective assets. Depreciation on additions/deletions during the year is being provided for, on a prorate basis with reference to the month in which such asset is added or deleted, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

D) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. The Company amortizes software using the straight-line method over the period of 3 years.

E) Leases

At inception of contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

i) Right-of-Use Assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

F) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

G) Financial Instruments

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

D) Financial Assets

Initial Recognition and Measurement

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 costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- a) Financial assets at amortized cost
- b) Financial assets at fair value through other comprehensive income (FVTOCI)
- c) Financial assets at fair value through Statement of Profit and Loss (FVTPL)

a) Financial assets at amortized cost

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

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. The category applies to the Company's trade receivables, unbilled revenue, other bank balances, security deposits etc.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A 'Financial assets' is classified as at the FVTOCI if both of the following criteria are met:

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI Financial assets is reported as interest income using the EIR method.

c) Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial assets. Any Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a Financial assets, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- i) the contractual rights to receive cash flows from the asset have expired, or
- ii) the Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the asset to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets are measured at amortized cost e.g. deposits, trade receivables and bank balances
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- For recognition of impairment loss on the financial assets that are financial assets which are initially measured at fair value with subsequent measurement at amortized cost e.g. Trade receivables, unbilled revenue etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for 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 ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECL impairment loss allowance (or reversal)

recognized during the period is recognized as income/ expense in the statement of profit and loss.

- For financial assets measured at amortized cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

II. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition as financial liabilities at FVTPL, or other financial liabilities. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss.

b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

H) Revenue recognition

Revenue from Software development on Fixed - Price and fixed Time Frame contract, where there is no uncertainty as to measurement or collectability, revenue consideration is recognized as per the percentage of completion method.

Interest Income

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

I) Foreign currencies

The Company's financial statement are presented in Indian Rupees (INR), which is the company's functional currency. Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

J) Income Taxes on Income**Income taxes**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with The Income Tax Act, 1961 of India.

Deferred tax

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is convincing evidence of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably certain to be realized.

K) Retirement and other employee benefits**(i) Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme and the contribution are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds is due. There are no other obligations other than the contribution payable to the respective authorities.

(ii) Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognized in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date, together with adjustments for past service costs. An independent actuary using the projected unit credit method calculates the defined benefit obligation annually. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income (OCI).

(iii) Compensated absences

Compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses arises.

L. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

M. Provisions

A provision is recognized if, as a result of past event, the company has a present Legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to be settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as other finance expense.

N. Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount and the asset is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

O. Contingent Assets/liabilities

Contingent assets are not recognized. However, when realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

P. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in other current liabilities in the balance sheet.

Q. Fair value measurement

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:

- In the principal market for the asset or liability
- 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 market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.3. Recent Pronouncements:

Amendments to the Companies Act and Accounting Standards effective from 1st April 2021. On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

a) Balance Sheet:

- Disclosure of Lease liabilities under the head ‘financial liabilities’,
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ with respect to compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

b) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the financial statements.

The amendments are extensive, and the Company will evaluate and comply with the same to give effect to them for the financial year beginning from 1st April 2021.



3. Property, plant and equipment

Particulars	Freehold land	Buildings*	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Electrical Equipment	Computer Software	Office Equipment	Total Property, plant and equipment
Gross carrying value										
As at April 01, 2012	0.00				199.20					199.20
Additions	0.00									
Disposals	0.00				0.00					
As at April 01, 2013	0.00	0.00	0.00	0.00	199.20	0.00	0.00	0.00	0.00	199.20
Additions					26.25					26.25
Disposals										
As at April 01, 2014	0.00	0.00	0.00	0.00	225.45	0.00	0.00	0.00	0.00	225.45
Additions					399.22					399.22
Disposals					0.00					
As at April 01, 2015	0.00	0.00	0.00	0.00	624.67	0.00	0.00	0.00	0.00	624.67
Additions				30.20	279.44					309.64
Disposals					0.00					
As at April 01, 2016	0.00	0.00	0.00	30.20	904.11	0.00	0.00	0.00	0.00	934.31
Additions					63.60		294.49			358.09
Disposals										
As at March 31, 2017	0.00	0.00	0.00	30.20	967.71	0.00	294.49	0.00	0.00	1292.40
Additions				250.74	154.41		24.59	67.05	0.00	496.79
Acquisitions										
Disposals										
As at March 31, 2018	0.00	0.00	0.00	280.94	1122.12	0.00	319.08	67.05	0.00	1789.18
Additions					351.01		15.00		0.00	366.01
Acquisitions										
Disposals										
As at March 31, 2019	0.00	0.00	0.00	280.94	1473.12	0.00	334.08	67.05	0.00	2155.19
Additions					1276.72		0.00		2.16	1278.88
Acquisitions										
Disposals										
As at March 31, 2020	0.00	0.00	0.00	280.94	2749.85	0.00	334.08	67.05	2.16	3434.07
Additions					567.78					567.78
As at March 31, 2021				280.94	3317.63		334.08	67.05	2.16	4001.84
Additions				494.60	2892.27		551.80			8848.66
Acquisitions										
Disposals										
As at March 31, 2022				685.53	11209.90	0.00	885.87	67.05	2.16	12850.51
Depreciation										
As at April 01, 2012					0.00					
Charge for the year					81.15					81.15
Disposals										
As at April 01, 2013	0.00	0.00	0.00	0.00	81.15	0.00	0.00	0.00		81.15
Charge for the year					54.01					54.01
Disposals										
As at March 31, 2014	0.00	0.00	0.00	0.00	135.16	0.00	0.00	0.00		135.16
Charge for the year					324.56					324.56
Disposals					0.00					
As at April 01, 2015	0.00	0.00	0.00	0.00	459.72	0.00	0.00	0.00		459.72
Charge for the year	0.00			0.30	110.74					111.03
Disposals	0.00				0.00					
As at April 01, 2016	0.00	0.00	0.00	0.30	570.45	0.00	0.00	0.00		570.75
Charge for the year	0.00			2.84	102.06		21.95			126.85
Disposals	0.00				0.00					
As at March 31, 2017	0.00	0.00	0.00	3.14	672.51	0.00	21.95	0.00		697.60
Charge for the year	0.00			25.35	204.21		100.36	10.35		340.27
Disposals	0.00									
As at March 31, 2018	0.00	0.00	0.00	28.49	876.71	0.00	122.31	10.35		1037.87
Charge for the year	0.00			46.50	190.24		173.67	21.23		431.65
Disposals	0.00				0.00					
As at March 31, 2019	0.00	0.00	0.00	74.99	1066.95	0.00	295.98	31.59		1469.52
Charge for the year	0.00			23.82	400.76		12.54	21.23	0.20	458.56
Disposals	0.00				0.00					
As at March 31, 2020	0.00	0.00	0.00	98.81	1467.72	0.00	308.52	52.82	0.20	1928.07
Charge for the year				23.79	552.65		7.10	10.87	0.00	594.42
Disposals				0.00	0.00		0.00	0.00	0.00	0.00
As at March 31, 2021				122.61	2020.37	0.00	315.62	63.69	0.20	2522.49
Charge for the year				47.22	1852.23		28.29			1927.75
Disposals										
As at March 31, 2022				169.83	3872.60	0.00	343.91	63.69	0.20	4450.24
Net carrying value									0.00	
As at March 31, 2013	0.00	0.00	0.00	0.00	118.05	0.00	0.00	0.00		118.05
As at March 31, 2014	0.00	0.00	0.00	0.00	90.29	0.00	0.00	0.00		90.29
As at March 31, 2015	0.00	0.00	0.00	0.00	164.96	0.00	0.00	0.00		164.96
As at March 31, 2016	0.00	0.00	0.00	29.90	333.66	0.00	0.00	0.00		363.56
As at March 31, 2017	0.00	0.00	0.00	27.06	295.20	0.00	272.54	0.00		594.80
As at March 31, 2018	0.00	0.00	0.00	252.45	245.40	0.00	196.77	56.69		751.31
As at March 31, 2019	0.00	0.00	0.00	205.94	406.17	0.00	38.10	35.46		685.67
As at March 31, 2020	0.00	0.00	0.00	182.12	1282.13	0.00	25.56	14.23	1.95	1505.99
As at March 31, 2021	0.00	0.00	0.00	158.33	1297.26	0.00	18.46	3.36	1.95	1479.35
As at March 31, 2022	0.00	0.00	0.00	515.70	7337.29	0.00	541.96	63.69	0.00	8400.27



Solix Softech Private Limited

CIN. U72200TG2011PTC078231

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

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
12	Revenue from operations		
	Sale of products		
	Income from sale of API, Intermediates and Formulations	-	-
	Income from sale of traded Services	196,055.37	137,058.36
	(A)	196,055.37	137,058.36
	Sale of services		
	Contract research services	-	-
	(B)	-	-
	Other operating revenue		
	Sale of scrap	-	-
	Export and other incentives*	-	-
	Others	(842.57)	(534.13)
	(C)	(842.57)	(534.13)
	Revenue from operations	195,212.80	136,524.23
13	Other income		
	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Net gain on foreign exchange fluctuations	-	-
	Lease rental income	-	-
	Miscellaneous income	3.84	5.33
	Total	3.84	5.33
14	Employee benefits expenses		
	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	Salaries, allowances and wages	190,052.71	132,052.71
	Contribution to provident fund and other funds	-	-
	Gratuity expense	-	-
	Share based payment expense	-	-
	Managerial remuneration	-	-
	Recruitment and training	-	-
	Staff welfare expenses	527.92	535.42
	Total	190,580.62	132,588.13



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15 Other expenses			
Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Conversion charges		-	29.04
Power and fuel		386.04	330.17
Repairs and maintenance		28.14	-
Others		217.63	8.37
Rent		180.00	165.00
Rates and taxes		319.99	63.21
Tax Expense		-	-
Printing and stationery		14.04	96.36
Consultancy and other professional charges		22.00	386.00
-Audit fee		50.00	30.00
Travelling and conveyance		-	-
Domestic Travel Expences		-	1.30
Overseas Travel Expences		14.44	247.20
Communication expenses		-	151.55
Net loss on foreign exchange fluctuations		-	-
Business promotion and advertisement		-	-
Water Charges		1.55	2.25
Donations		-	375.00
Interest on TDS		3.13	41.97
Interest on GST		0.50	-
GST Late Filing Fee		2.54	1.04
ROC Expenses		0.60	5.90
Interest on income tax		93.98	0.94
PF Admin Charges		228.14	180.09
Total		1,562.72	2,115.39
16 Finance costs			
Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
Interest			
- on term loans		-	-
- on working capital loans		-	-
- on others		-	-
Total interest expense		-	-
Bank charges		26.98	45.38
Exchange differences to the extent considered as an adjustment to finance costs		-	-
Total		26.98	45.38



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17 Taxes**(a) Income tax expense:**

The major components of income tax expenses for the year ended March 31, 2022 and for the year ended March 31, 2021 are:

(i) Statement of Profit and Loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	297.59	421.50
Adjustment of tax relating to earlier years	-	-
Deferred tax credit	-	(4.40)
Adjustment of deferred tax relating to earlier years	-	-
Total income tax expense recognised in Statement of Profit and Loss	297.59	421.50



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OTHER NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(ALL AMOUNTS ARE IN INDIAN RUPEES IN THOUSAND UNLESS OTHERWISE STATED)

18. Earnings per Share

Particulars	31-Mar-22	31-Mar-21
Net profit as per statement of profit and loss for calculation of basic EPS and dilutive EPS (Rs. Lakhs)	1078.25	769.13
Weighted average number of equity shares for calculating basic EPS	10,000	10,000
<u>Effect of dilution:</u>		
Compulsory Convertible Debentures*	-	-
Weighted average number of equity shares for calculating diluted EPS	10,000	10,000
Nominal value per share (Rs. In INR)	10	10
Basic earnings per share (Rs. In INR)	107.82	76.91
Diluted earnings per share (Rs. In INR)	107.82	76.91

19. Dues to micro and small enterprises

The Micro, Small and Medium Enterprises have been identified by management from the available information, which has been relied upon by the auditors. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at	As at
	31-Mar-22	31-Mar-21
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
Principal amount due to micro and small enterprises	Nil	Nil
Interest due on above	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil

20. Segment Information

The Company operates in Single Business Segment of Development of Software Products and in a Single Geography. Accordingly, disclosure requirements of IND AS 108, 'Operating Segments' as notified under Section 133 of the Companies Act, are not applicable.

21. Related Party Transactions

A) List of Related Parties

Relationship with the Company	Names of Related Parties
Holding Company	M/s. Solix Technologies Inc., USA
Director	Mr. Bhanu Prakash Valiveti
Director	Mr. P.S. Somayajulu

B) The details of the related party transactions entered into by the Company during the year ended March 31, 2022 and balances as at March 31, 2021 are as follows:

Name of the Related Party	Nature of Transaction	Year ended 31st March, 2022	Year ended 31st March, 2021
M/s. Solix Technologies Inc., USA	Sale of Services	196,055.37	137,052.36
Mr. Bhanu Prakash Valiveti	Salary	3,788.05	3,776.95
Mr. P.S. Somayajulu	Salary	3,865.89	3,681.81

22. Contingent Liabilities

There are no contingents Liabilities as an 31.03.2022

23. Leases

Operating Lease: The Company has no leases for office premises.

24. Employee Benefit

i) Balance Sheet:

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2022 are as follows

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of obligation as at the beginning	-	-	-	-
Current service cost	-	-	-	-
Interest cost	-	-	-	-
Re-measurement (or Actuarial) (gain) / loss	-	-	-	-
Benefits paid	-	-	-	-
Present Value of Obligation as at the				

end	-	-	-	-
Current Liability (Short term)	-	-	-	-
Non-Current Liability (Long term)	-	-	-	-

ii) Net (assets)/ liability

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of defined benefit obligation	-	-	-	-
Net (assets)/ liability	-	-	-	-

iii) Profit & Loss

Net employee benefit expense (recognized in employee cost) for the year ended March 31, 2022

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Current service cost	-	-	-	-
Interest cost on benefit liability	-	-	-	-
Actuarial (gain)/ loss recognized in the year	-	-	-	-
Net benefit expense recognized in statement of profit and loss	-	-	-	-

iv). Amount recognized in other comprehensive income for the year ended March 31, 2022.

Particular	Gratuity		Compensated absences	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Actuarial (gain)/ loss recognized in the year	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-	-	-

The principal assumptions used in determining gratuity for the Company's plans are shown below.

Particulars	31-Mar-22	31-Mar-21
Discount rate	0.00%	0.00%
Employee turnover rate	0.00%	0.00%
Salary Escalation Rate	0.00%	0.00%

25. Financial Assets and Liabilities

The accounting policies for financial instruments have been applied to the following line items below:

Particulars	31-Mar-22	31-Mar-21
Financial Assets		
Current		
Cash and cash equivalents (Note 7)	1277.67	14885.84
Bank balances other than cash and cash equivalents (Note 7)	0	0
Trade Receivables (Note 6)	22119.46	12022.84
Total	23397.13	26908.68
Financial Liabilities		
Current		
Trade payables (Note 9)	521.58	185.49
Total	521.58	185.49

26. Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments, those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value	Fair value	Carrying value	Fair value
	As at	As at	As at	As at
	31-Mar-22	31-Mar-22	31-Mar-21	31-Mar-21
Financial assets measured at Amortized cost				
Non-Current				
Investments	0	0	0	0
Long Term Loans and Advances	0	0	0	0
Current				
-Cash and cash equivalence (Note 7)	1277.67	1277.67	14885.84	14885.84
-Bank balances other than above (Note 7)	0	0	0	0
- Trade Receivables (Note 6)	22119.46	22119.46	12022.84	12022.84
Total	23397.13	23397.13	26908.68	26908.68
Financial liabilities measured at Amortized cost				
Non-current Liabilities	0	0	0	0
-Borrowings	-	-	-	-
Current				
-Trade payables (Note 9)	521.58	521.58	185.49	185.49
Total	521.58	521.58	185.49	185.49

The management assessed that cash and cash equivalents, other bank balances, trade receivables, security deposits received, receivable from related parties, inter corporate loan from related party, trade payables and security deposits paid approximate their carrying amounts largely due to the short-term maturities of these instruments.

27. Financial risk management

The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses to minimize potential adverse effects on the Company's financial performance. The financial instruments of the Company comprise borrowings from banks/other lenders, cash and cash equivalents, bank

deposits, trade receivables and other assets, trade payables and other financial liabilities and payables.

a) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated into Interest rate risk and Foreign exchange risk:

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no significant interest-bearing assets other than investment in bank deposits. The Company's income and operating cash flows are substantially independent of changes in market interest rates. As the Company's borrowing carries fixed rate of interest and these debts are carried at amortised cost, there is no interest rate risk to the Company.

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no significant transactions in foreign currency during the year, hence there are no foreign currency exchange risks.

b) Credit risk

Company's revenue is derived from sales to state owned utilities, hence potential risk of default is predominantly a governmental one. The company maintains banking relationships with only credit worthy banks, which it reviews on an ongoing basis. The maximum exposure to credit risk for bank deposits and bank balances at the reporting date is the fair value of the amount disclosed.

Trade receivables that are due for more than one month are considered past due. Delayed receivable carries interest as per the terms of agreement. These receivables have been considered as fully recoverable based on the evaluation of terms implicit in the contracts with customers and other pertinent factors.

The ageing analysis trade receivables as at the reporting date is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Not due	-	-
1 to 6 months	-	-
6 to 12 months	22119.46	12022.84
Beyond 12 months	-	-
Total	22119.46	12022.84

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities.

The Company's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

The Company believes that the net cash flows expected to be generated from the operations shall be sufficient to meet the operating and finance costs.

The table below summarizes the maturity profile of the Company's financial liabilities.

Particulars	Carrying Value	Less than 1 year	1 to 2 years	3 to 5 years	More than 5 years	Total
As at 31st March, 2022						
Borrowings	-	-	-	-	-	-
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	521.51	505.09	16.42	76	0	521.51
Other financial liabilities	-	-	-	-	-	-
As at 31st March, 2021						
Borrowings	-	-	-	-	-	-
Interest on borrowings	-	-	-	-	-	-
Trade and other payables	185.42	61.10	0	0	124.32	185.42
Other financial liabilities	-	-	-	-	-	-

28. Changes in liabilities arising from financial activities:

Particulars	As at	Cash flows	Non cash changes	As at
	1-Apr-21			31-Mar-22
Long term borrowings	-	-	-	-
Short term borrowings	-	-	-	-
Total	-	-	-	-

29. Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance more than 25%
Current ratio	Current assets	Current liabilities	1.40	1.89	-25.82	NA
Debt equity ratio	Borrowings	Total equity	1.16	1.01	14.76	NA

Debt service coverage ratio	EBITDA	Interest + Principal of Borrowing	NA	NA	NA	NA
Return on equity ratio	PAT	Total equity	0.07	0.05	30.09	Increased revenues and Decrease in operating cost
Trade receivable turnover ratio	Revenue from operations	Average Trade Receivables	6.97	6.08	14.71	NA
Return on investment (%)	Income generated from investments	Average Investments	NA	NA	NA	NA
Net capital turnover ratio	Revenue from operations	Total equity	25.92	10.03	158.42	Efficient management of Working Capital
Net profit ratio	PAT	Revenue	NA	NA	NA	Increased revenues and Decrease in operating cost
Return on capital employed	EBIT	Capital Employed	0.18	0.09	105.84	NA
Trade payable turnover ratio	Net Credit Purchases	Average Trade Payables	0	0	0	NA

30. Trade Payables Ageing Schedule

As on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) MSME	0	0	0	0	0
(ii) Others	505.09	16.42	76	0	521.51
(iii) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total Trade Payables	505.09	16.42	76	0	521.51

As on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) MSME	0	0	0	0	0
(ii) Others	61.10	0	0	124.32	185.42
(iii) Disputed dues - MSME	0	0	0	0	0
(iv) Disputed dues - Others	0	0	0	0	0
Total Trade Payables	61.10	0	0	124.32	185.42

31. Trade Receivables Ageing Schedule

As on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	22119.46	0	0	0	22119.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0
(iv) Disputed Trade Receivables – considered good	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0
Total Trade Receivables	22119.46	0	0	0	22119.46

As on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	12022.84	0	0	0	12022.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(iii) Undisputed Trade Receivables – credit impaired	0	0	0	0	0
(iv) Disputed Trade Receivables – considered good	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0
Total Trade Receivables	12022.84	0	0	0	12022.84

32. Impact of COVID-19:

In preparation of the financial statements, the Company has considered the business environment arising out of the COVID-19 outbreak and more severe outbreak of the second wave in recent months. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of the unprecedented situation.

33. Amount has been rounded off to nearest thousand and previous period have been rearranged, regrouped and recast wherever necessary.

**For Rameshwar Rao & Co.,
Chartered Accountants
ICAI FRN. 010887S**

**V. Vasudeva Reddy
Partner
M.No. 209456
UDIN. 22209546AJIMHC5076**



For and on behalf of the Board of Directors

**V. Bhanu Prakash
Director
DIN. 05221738**

**P.S. Somyajulu
Director
DIN: 05221729**



Place: Hyderabad

Date: 20/05/2022