



Independent Auditors' Report

TO,
THE MEMBERS OF **VDEAL SYSTEM PRIVATE LIMITED**

Opinion

We have audited the accompanying Standalone financial statements of **VDEAL SYSTEM PRIVATE LIMITED** (here in after referred as the Company) which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

Other Information

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information's materially inconsistent with the standalone financial statements or our knowledge obtained in the audit 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.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement 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.

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and



obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central



Government in terms of section 143 (11) of the Act, we give in the 'Annexure - A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

A. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), and the standalone statement of changes in equity dealt with by this Report are in agreement with the 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 written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act.

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

- i. The Company has no pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DACS & Associates

Chartered Accountants

FRN:0326882E



Chandrakanta Sahoo

Chandrakanta Sahoo
(Partner)

M.No.:065634

Place: Bhubaneswar

Date: 28/06/2019

Annexure - B to the Independent Auditors' Report of VDEAL SYSTEM PRIVATE LIMITED
, for the year ended on 31st March 2019

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

We report that, in our opinion and to the best of our information and explanations furnished to us and the books and records examined by us in the normal course of Audit:

- i. a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified at regular interval. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment were physically verified by management during the year. No material discrepancies were noticed upon such verification.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management. The Company has maintained proper records of inventory. No material discrepancies were noticed on verification. As explained by the management that the company is involved in construction activities and there are so many items spread out at the site so it is very difficult to maintain the quantitative records of each and every item, however high value items are controlled by the staff of the Company.
- iii. In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013. Hence provisions of clause 3 (iii) are not applicable to the company
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities as applicable.
- v. The company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March 2019 and therefore provisions of clause 3 (v) are not applicable to the company.
- vi. According to the information and explanations provided to us, the Companies (Cost Accounting Record) Rules 2014, is not applicable to the companies.
- vii. (a) According to the records of the company, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods & Service Tax, Value Added Tax, Wealth tax, Service tax, custom duty, excise duty, Cess and other statutory dues applicable to the Company with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.



- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under Clause 3 (viii) of the order is not applicable to the company.
- ix. The Company has not raised money by way of initial public offer, further public offer (including debt instruments) or term loan and hence reporting under Clause 3 (ix) of the order is not applicable to the company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, there are no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid /provided for any managerial remuneration. Hence reporting under Clause 3 (xi) of the order is not applicable to the company.
- xii. The company is not a Nidhi company and hence reporting under Clause 3 (xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, all transactions of the Company with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him year and hence reporting under Clause 3 (xv) of the order is not applicable to the company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Place: Bhubaneswar

Date: 28/06/2019

For DACS & Associates

Chartered Accountants

FRN:0326882E



Chandrakanta Sahoo
Chandrakanta Sahoo
(Partner)

M.No.: 065634

M/S VDEAL SYSTEM PRIVATE LIMITED
(Formerly known as Swastik Energy System Private Limited)
PLOT NO-4/A, 4/B, 6; JANLA INDUSTRIAL AREA, JATNI, KHORDHA
ODISHA-752054

AUDITED BALANCE SHEET AS ON 31ST MARCH, 2019

Particulars	Note No	Current Year Amount (Rs) As On 31.03.2019	Previous Year Amount (Rs) As On 31.03.2018
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2,978,600	2,978,600
(b) Reserves and Surplus	2	21,430,091	12,077,068
(c) Money received against share warrants			
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	12,280,858	2,410,252
(b) Deferred tax liabilities (Net)			64,644
(c) Other Long term liabilities			
(d) Unsecured Loan		1,801,343	1,801,343
(4) Current Liabilities			
(a) Short-term borrowings	4	26,315,622	29,540,305
(b) Trade payables	5	43,152,297	39,650,848
(c) Other current liabilities	6	3,588,886	2,010,439
(d) Short-term provisions	7	988,639	709,140
Total		112,536,336	91,242,639
II. ASSETS			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	10,021,782	9,550,840
(ii) Intangible assets			
(iii) Capital work-in-progress		263,172	
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)	9	36,181	
(d) Long term loans and advances	10	1,110,216	1,057,216
(e) Other non-current assets			
(2) Current assets			
(a) Current Investment			
(b) Inventories	11	26,082,915	23,936,845
(c) Trade receivables	12	51,128,225	40,297,686
(d) Cash and cash equivalents	13	8,283,140	9,001,207
(e) Short-term loans and advances	14	8,634,886	1,900,273
(f) Other current assets		6,975,819	5,498,572
Total		112,536,336	91,242,639

As per our report of even date attached

For D A C S & Associates

Chartered Accountants

FRN No: 0326882E

Chandrakanta Sahoo
CA Chandrakanta Sahoo

Partner

M. No: 065634

Bhubaneswar

Date: 28/06/2019



For & on behalf of the board

VDEAL SYSTEM PVT. LTD.

VDEAL SYSTEM PVT. LTD.

Dhiraj Kochar

MANAGING DIRECTOR

Dhiraj Kochar
(Managing Director)

Vimal Prakash Kochar

DIRECTOR

Vimal Prakash Kochar
(Director)

M/S VDEAL SYSTEM PRIVATE LIMITED

(Formerly known as Swastik Energy System Private Limited)

PLOT NO-4/A, 4/B, 6; JANLA INDUSTRIAL AREA, JATNI, KHORDHA

ODISHA-752054

AUDITED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No	Current Year Amount (Rs) Ending On 31.03.2019	Previous Year Amount (Rs) Ending On 31.03.2018
I. Revenue from Operations	15	136,933,981	123,778,421
II. Other Income	16	399,022	330,548
III. Total Revenue (I +II)		137,333,003	124,108,969
IV. Expenses:			
Cost of Materials Purchased	17	111,931,760	99,289,669
Direct Expenses	18	2,213,640	2,718,191
Changes in Inventories	19	(2,146,070)	526,824
Employee Benefit Expenses	20	10,948,231	8,715,625
Finance Costs	21	4,205,706	3,575,247
Depreciation and Amortization Expenses	22	1,929,227	1,017,710
Other Expenses	23	4,835,842	5,389,035
Total Expenses		133,918,336	121,232,301
V. Profit/(Loss) before tax		3,414,667	2,876,668
VII. Profit/(Loss) After Depreciation		3,414,667	2,876,668
VII. Tax expense:			
(1) Current tax		988,639	709,140
(2) Deferred tax		100,825	30,683
X.Profit/(Loss) after Taxation transferred to Reserve & Surplus		2,526,853	2,136,845
		2,526,853	2,136,845
Earning per equity share of face value of Rs 100 Each Basic & Diluted		84.83	71.74

As per our report of even date attached

For D A C S & Associates

Chartered Accountants

FRN No: 0326882E

Chandrakanta Sahoo
CA Chandrakanta Sahoo
 Partner
 M. No: 065634
 Bhubaneswar
 Date: 28/06/2017.



For & on behalf of the board

VDEAL SYSTEM PVT. LTD. **VDEAL SYSTEM PVT. LTD.**
Dhiraj Kochar *V.P. Kochar*
MANAGING DIRECTOR **DIRECTOR**

Dhiraj Kochar
 (Managing Director)

Vimal Prakash Kochar
 (Director)

M/S VDEAL SYSTEM PRIVATE LIMITED
Notes forming part of the Balance Sheet

Note-1	31.3.2019	31.3.2018
<u>SHARE CAPITAL</u>	<u>Amount(Rs)</u>	<u>Amount(Rs)</u>
AUTHORISED CAPITAL		
40,000 Equity shares of Rs. 100.00 each	4,000,000	4,000,000
	<u>4,000,000</u>	<u>4,000,000</u>
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
10000 Equity Shares of Rs. 100.00 each	1,000,000	1,000,000
19786 Equity Shares of Rs 100.00 each (For Takeover of Vdeal Systems)	1,978,600	1,978,600
	<u>2,978,600</u>	<u>2,978,600</u>

1. a The details of Shareholders holding more than 5% Shares:
As on 31 st March 2019

Sl	Name of Share Holders	Classes of Shares	No of Shares	Percentage of Holding
1	Dhiraj Kochar	Equity Share	23,972	80.48%
2	Vimal Prakash kochar	Equity Share	2,907	9.76%
3	Manju Shree Kochar	Equity Share	2,907	9.76%
			29,786	100%

As on 31 st March 2018

Sl	Name of Share Holders	Classes of Shares	No of Shares	Percentage of Holding
1	Dhiraj Kochar	Equity Share	23,972	80.48%
2	Vimal Prakash kochar	Equity Share	2,907	9.76%
3	Manju Shree Kochar	Equity Share	2,907	9.76%
			29,786	100%

1.b Reconciliation of Nos of Shares

Number of Equity Shares at the beginning	29,786	10,000
Add: Issued during the year		19,786
Number of Equity Shares at the end	<u>29,786</u>	<u>29,786</u>

Note-2	31.3.2019	31.3.2018
<u>RESERVE & SURPLUS</u>	<u>Amount(Rs)</u>	<u>Amount(Rs)</u>
<u>Profit & Loss Account</u>		
Opening Balance	12,077,068	3,114,052
Add-Profit during the Year	2,526,853	2,136,846
Share Premium Account	6,826,170	6,826,170
	<u>21,430,091</u>	<u>12,077,068</u>

Note-3

LONG TERM BORROWING (Secured Term Loans)

Magma Finance Corp Ltd.	-	866,024
Car Loan form HDFC Bank	311,478	475,228
Bajaj Finance	-	1,069,000
Term Loan from Karnatak Bank	7,199,600	-
Capital First	2,702,819	-
United Petro Finance Ltd	2,066,961	-
	<u>12,280,858</u>	<u>2,410,252</u>

- 3.a** The Company is generally regular in repayment of interest and principal dues.
3.b Term Loan from respective banks and financial institution are secured by their respective assets.



Note-4**SHORT TERM BORROWINGS****Secured**

	<u>31.3.2019</u> <u>Amount(Rs)</u>	<u>31.3.2018</u> <u>Amount(Rs)</u>
1 <u>Loan Repayable on Demand</u>		
Working Capital Loan		
- From Canara Bank	-	21,807,924
- Channel Finance (ABB-ICICI Bank)	5,006,576	7,732,381
CC Loan form Karnatak Bank	21,309,046	-
	<u>26,315,622</u>	<u>29,540,305</u>

4.a The company is generally regular in repayment of principal and interest.

4.b Working Capital Facility from Karnatak Bank ,Main Branch is primary secured by:

> Hypothecation of construction Materials,stores,Consumables,Spares,Trade receivables ,& Other current assets of the company both present & future.

Note-5**TRADE PAYABLE**

Micro,small and Medium Enterprises

Others

43,152,297	39,650,848
<u>43,152,297</u>	<u>39,650,848</u>

The company has not received any intimation from "suppliers" regarding status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures,if any, relating to amount unpaid as at the year end together with the interest paid/payable as required under the said act have not been furnished.

Note-6**OTHER CURRENT LIABILITIES**

Audit Fees Payable	74,000	40,000
TDS Payable	39,406	21,420
Payable to Employees	510,224	-
EPF Payable	27,607	34,248
ESIC Payable	7,310	9,267
GST Payable	2,878,665	1,903,004
Professional Tax Payable	30,525	2,500
Telephone Charges Payable	5,525	
Electricity Charges Payable	15,624	
	<u>3,588,886</u>	<u>2,010,439</u>

Note-7**SHORT TERM PROVISION**

Provision for Income Tax Current Year	988,639	709,140
	<u>988,639</u>	<u>709,140</u>



Note-10	31.3.2019	31.3.2018
<u>LONG TERM LOANS & ADVANCE</u>		
<u>(Loans & Advances)</u>		
	<u>Amount(Rs)</u>	<u>Amount(Rs)</u>
Tender EMD Security	22,500	22,500
Security Money with ABB	25,000	25,000
Security Deposit for Sale Tax	2,000	2,000
Security Deposit for Entry Tax	371,444	371,444
Security Deposit for CST	486,272	486,272
Security Deposit for CO2 Gas	8,000	
Rent Advance	195,000	150,000
	<u><u>1,110,216</u></u>	<u><u>1,057,216</u></u>

Note-11		
<u>INVENTORIES</u>		
Work in Progress	-	-
Inventories of finished goods	26,082,915	23,936,845
	<u><u>26,082,915</u></u>	<u><u>23,936,845</u></u>

Note-12		
<u>TRADE RECIVABLE</u>		
Outstanding for a period exceeding six months		-
Others	51,128,225	40,297,686
	<u><u>51,128,225</u></u>	<u><u>40,297,686</u></u>

Note-13		
<u>CASH & CASH EQUIVALENTS</u>		
<u>Cash Balance</u>		
Cash in Hand	33,816	26,356
<u>Bank Balance</u>		
In current accounts	165,921	8,974,851
Fixed Deposits at Karnatak Bank	6,468,679	
Fixed Deposits at Canara Bank	1,614,724	
	<u><u>8,283,140</u></u>	<u><u>9,001,207</u></u>

Note-14		
<u>SHORT TERM LOANS AND ADVANCES</u>		
Advance to Staff	389,382	1,345,675
Advance to suppliers	7,873,687	164,082
Advance Income Tax /TDS	100,000	300,000
TDS Receivable	265,582	90,516
GST Receivable	6,235	
	<u><u>8,634,886</u></u>	<u><u>1,900,273</u></u>



M/S VDEAL SYSTEM PRIVATE LIMITED
Notes forming part of the Profit & Loss Account

	<u>31.3.2019</u> <u>Amount (Rs)</u>	<u>31.3.2018</u> <u>Amount (Rs)</u>
Note-15		
<u>REVENUE FROM OPERATIONS</u>		
Gross Sale	136,933,981	123,778,421
	<u><u>(136,933,981)</u></u>	<u><u>123,778,421</u></u>
Note-16		
<u>OTHER INCOME</u>		
Interest Income	399,022	330,548
	<u><u>(399,022)</u></u>	<u><u>330,548</u></u>
Note-17		
<u>COST OF MATERIAL CONSUMED</u>		
Opening Stock	-	-
Add: Purchase of Material	110,962,414	98,726,486
Carriage Inward	969,346	434,866
Entry Tax		128,317
	<u>111,931,760</u>	<u>99,289,669</u>
Less: Closing stock	<u>-</u>	<u>-</u>
	<u><u>(111,931,760)</u></u>	<u><u>99,289,669</u></u>
Note-18		
<u>OPERATING EXPENSES</u>		
Loading and Unloading Charges	97,680	147,610
Powder Coating & Colouring Charges	-	280,839
Fabrication Charges	323,757	
Carriage Outward charges	621,075	684,226
Insurance Expenses	378,704	62,615
Security Service Charges	83,172	176,300
Store & spare	-	331,487
Workshop Expenses	-	341,079
Factory Building Maintenance Charges	394,990	347,963
Testing Fees	172,305	3,300
Vehicle Running & Maintenance Charges	141,957	342,772
	<u><u>(2,213,640)</u></u>	<u><u>2,718,191</u></u>



Note-19

	31.3.2019	31.3.2018
<u>CHANGE IN INVENTORIES /WORK IN PROGRESS</u>	<u>Amount(Rs)</u>	<u>Amount(Rs)</u>
Closing Stock	26,082,915	23,936,845
	26,082,915	23,936,845
Less: Opening Stock	23,936,845	24,463,669
(Increase/Decrease of Inventories/WIP)	<u>(2,146,070)</u>	<u>526,824</u>

Note-20**EMPLOYEE BENEFIT EXPENSES**

Salary to Staff (Re-grouped)	7,124,851	5,850,969
Staff Welfare	576,515	40,453
Bonus	690,324	245,590
Employer Contribution to EPF	185,231	188,257
Employer Contribution to ESI	71,310	90,356
Director Remuneration	2,300,000	2,300,000
	<u>10,948,231</u>	<u>8,715,625</u>

Note-21**FINANCE COSTS**

Interest on Term Loan	181,012	583,736
Interest on Cash Credit	2,890,159	2,991,511
Interest on other Loan	1,134,535	
	<u>4,205,706</u>	<u>3,575,247</u>

Note-22**DEPRECIATION & AMORTIZATION EXP**

Depreciation	1,929,227	1,017,710
	<u>1,929,227</u>	<u>1,017,710</u>



Note-23**OTHER EXPENSES****ADMINISTRATIVE EXPENSES**

	31.3.2019	31.3.2018
	<u>Amount(Rs)</u>	<u>Amount(Rs)</u>
Bank Charges	43,718	52,352
Bank Commission on Bank Guarantee	175,745	311,812
Business Promotion Expenses	722,400	489,553
Consultancy Fees	802,665	220,000
Computer Maintenance Charges	-	26,800
Discount Allowed	-	801,560
Electricity Charges	190,218	154,421
Statutory Audit Fees	59,000	50,000
Tax Audit Fees	15,000	15,000
Filing Fees	23,500	92,000
General Expenses	283,160	396,904
Internet Charges	49,658	62,461
Interest & Penalty	-	6,498
Legal Expenses	21,790	94,730
Leave Encashment expenses	-	52,820
Repair & Maintenance	150,630	355,730
Postage & Courier Charges	38,619	14,962
Project Expenses	-	256,900
Tender Document Charges	14,052	-
Telephone Charges	93,527	76,538
Printing & Stationery	24,582	19,509
Travelling & Conveyance	879,126	1,181,457
Processing fees on Laon	282,799	-
Registration & Renewal Fees	127,358	198,889
Office Expenses	42,150	58,900
Arrear on EPF	5,386	5,102
Donation	34,900	22,450
Water Rent	7,080	-
Swaschha Bharat Cess	-	111
Krishi Kalyan Cess	-	111
Office Rent	120,000	117,780
Godown Rent IDCO	31,925	-
Wiring Charges	566,859	240,445
Entertainment Exp	29,995	13,240
	<u>4,835,842</u>	<u>5,389,035</u>



M/S VDEAL SYSTEM PRIVATE LIMITED

Note-8A

Depreciation Schedule as per IT Act-2018-19

Items	Rate	Net Asset As		Addition For		Addition for		sold/adjust during year	Total	Dep At Full		Dep At Half		Total	Net Asset As On 31.03.19
		On 31.03.18	Rate	More Than 180 Days	Days	less than 180 Days	Rate			Rate					
Factory Building (Leasehold)	10	6,536,310							6,536,310	653,631	-		653,631	5,882,679	
Plant & Machinery	15	357,753	426,259	532,000					1,316,012	117,602	39,900		157,502	1,158,510	
Electrical Equipment	15	280,949		309,322					590,271	42,142	23,199		65,342	524,930	
Furniture & Fixtures	10	721,777	13,409	15,690					750,876	73,519	785		74,303	676,573	
Computer & Printer	40	95,470	193,887	114,532					403,889	115,743	22,906		138,649	265,240	
Car	15	893,219							893,219	133,983	-		133,983	759,236	
Sap Software	40		795,070						795,070	318,028	-		318,028	477,042	
Building Work In Progress				263,172					263,172	-	-		-	263,172	
Total		8,885,478	1,428,625	1,234,716					11,548,819	1,454,647	86,790		1,541,437	10,007,382	

Capital Work In Progress

Building Work In Progress		263,172							263,172					263,172
Total		263,172							-	-	-		-	263,172



M/S VDEAL SYSTEM PRIVATE LIMITED
Depreciation Schedule as per Comp. Act-2018-19

Note-8

Items	Useful Life	Gross Block			Depreciation			Net Block		
		Value as on 01.04.2018	Addition During Year	Sale / Write Off and Adj	Total Value as on 31.03.2019	Accumulated Depreciation as per last yr. Balance sheet	Depreciation during the year as per useful life	Total value at the end	As on 31.03.2019	As on 31.03.2018
Factory Building (Leasehold)	57	7,909,450	-	-	7,909,450	416,286	396,373	812,659	7,096,791	7,493,164
Plant & Machinery	15	1,818,430	958,259	-	2,776,689	1,340,797	603,642	1,944,439	832,250	477,633
Electrical Equipment	15	473,027	309,322	-	782,349	203,383	309,051	512,434	269,915	269,644
Furniture & Fixtures	10	841,725	29,099	-	870,824	324,367	52,479	376,846	493,978	517,358
Computer	3	226,820	308,419	-	535,239	134,087	149,140	283,227	252,012	92,733
Car	8	1,106,154	-	-	1,106,154	405,846	384,673	790,519	315,635	700,308
Sap Software	6	-	795,070	-	795,070	-	33,869	33,869	761,201	-
Total		12,375,606	2,400,169	-	14,775,775	2,824,766	1,929,227	4,753,993	10,021,782	9,550,840

Capital Work In Progress

Building Work In Progress			263,172		263,172				263,172
Total			263,172	-	263,172	-	-	-	263,172



Note-09

COMPUTATION OF DEFERRED TAX FOR THE YEAR ENDING ON 31.3.2019

DEFERRED TAX LIABILITY AS ON 31.3.2019	As on 31.3.2019 Amount in Rs.	As on 31.3.2018 Amount in Rs.
Deferred Tax Asset		
Depreciation as per Companies Act	1,929,227	1,017,710
Depreciation as per Income Tax Act.	1,541,437	1,140,440
Difference	387,790	122,730
Effective Future Tax rate	26.00	25.00
Current Year Deferred Tax Asset	100,825	30,683
Deferred Tax liability as per Last Account	64,644	33,962
Provision for Net deferred Tax Asset transferred to BS	<u>36,181</u>	<u>64,644</u>



V DEAL SYSTEM PRIVATE LIMITED

RELATED PARTY DISCLOSURES

As per Accounting standard -18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the name of the related parties where control exists are given below :

Name of the related party	Nature of relationship
Dhiraj Kochar	Key Management Personnel
Vimal Prakash Kochar	Key Management Personnel
Manju shree Kochar	Key Management Personnel

The details of transaction between Company & Related parties are as follows :

SI No	Nature of transaction	Amount (in Lacs)	Associates	Key Mgt. Personnel
1	Director Remuneration	23.00		Dhiraj Kochar



V DEAL SYSTEM PRIVATE LIMITED.

NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. Corporate Information

Vdeal System Pvt Ltd. ("the Company") is a company domiciled in India and incorporated under the provisions of the Companies Act. 1956.

The Company is primarily engaged in Manufacturing and trading of Electrical Goods and machineries for industrial buyers and others customers of the country, the company is also engaged turnkey projects for substations industrial utilities, it includes design, supply, testing & commissioning as per the customer's requirements, in addition to it the company also is in active system integration for ABB, Schneider for automation.

2. Accounting Policies

a) Basis of Accounting

The accounts have been prepared on historical cost convention as a going concern on accrual basic, in accordance with the requirements of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India (Indian GAAP) and comply with the accounting standards notified under the Companies (Accounting Standards) rules,2006 (as amended) to the extent applicable. Accounting policies have been consistently applied and where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use, such changes are suitably incorporated. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

b) Revenue Recognition

Revenue from services is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue includes consideration received or receivable but net of discounts and other service related taxes. All other incomes are recognized on accrual basis.

c) Fixed Assets

All fixed assets are valued at cost less depreciation/amortization. The cost of an asset includes the purchase cost of assets, including non refundable taxes, and directly attributable costs of bringing as asset to the location and condition of its intended use.



d) **Depreciation on Fixed Assets**

Depreciation has been provided on the basis of Useful Lives of the respective assets as stated in the Schedule 2 of the Companies Act, 2013. On this basis, few assets have been re-grouped under the below stated headings considering their usage and useful lives. The following Useful Lives have been considered:

Sl No	Items of Assets	Useful Life (Yrs)
1	Factory Building (Leasehold)	57
2	Plant & Machinery	15
3	Electrical Equipment	15
4	Furniture & Fixtures	10
5	Computer	3
6	Car	8
7	Sap Software	6

e) **Inventories**

Stores and consumables are valued at Cost. Closing WIP is valued at cost.

f) **Borrowing Costs**

Borrowing costs are cost that the company incurs in connection with borrowing of funds either for acquisition of assets or for working capital purposes. All the borrowing costs are recognized as an expenses in the profit and loss account in the period in which they are incurred.

g) **Employee Benefits**

Short term employee benefits are recognized as an expense in the profit and loss account of the period in which the related service is rendered.

h) **Taxes on Income**

Current Taxes

Current income tax expenses comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961.



Deferred Taxes

Deferred tax expenses of benefit is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in subsequent period. Deferred tax assets and liabilities are calculated using the tax rates and tax laws prevailing on the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the institute of Chartered Accountants of India, the said asset is created by way of credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonable certain that the company will pay normal income tax during the specified period.

i) Earning Per Share

The company reports basis and diluted earnings per share in accordance with Accounting Standard (AS) 20- Earnings Per share. Basic earnings per equity share have been computed by dividing net profit after tax attributable to equity share holders by the weighted average numbers of equity shares outstanding during the period. Diluted earnings during the period adjusted for the effects of all dilutive potential equity shares per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

a. Earnings per share	<u>31.03.2019</u>	<u>31.03.2018</u>
Net Profit/(Loss) for the Period	25,26,853	21,36,846
Number of equity shares	29,786	29,786
Weighted average number of share	29,786	29,786
Basic and diluted earnings per share (Rs.)	84.83	71.74
Face Value per equity share (Rs.)	100	100

