

SWAPNIL SWITCHES PRIVATE LIMITED

DELHI

PAN: AAACS4730N

GSTIN: 09AAACS4730N1Z2

FINANCIAL STATEMENTS

FOR THE

FINANCIAL YEAR 2020-21

ATUL GUPTA & Co.

Chartered Accountants

MIG-38, Vikas Nagar, Agra Road, Aligarh – 202 001 (U.P.)

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E-mail: atul.guptaandco@gmail.com



Independent Auditor's Report

To the Members of
Swapnil Switches Private Limited
Delhi

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **Swapnil Switches Private Limited, Delhi** ("the Company"), which comprise the balance sheet as at 31st March, 2021, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

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

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



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Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's 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 during the course of our 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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

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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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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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 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 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required;

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- h) 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:
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



Place: ALIGARH
Date: 25/06/2021
UDIN: 21073732AAAADS8968

For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

A handwritten signature in blue ink, appearing to read "Atul Kumar Gupta".

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements" in the case of Swapnil Switches Private Limited, Delhi

We report that:

1. Fixed Assets

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; According to information and explanations given to us and examined by us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and the records examined by us, we report that the Company does not hold any immovable properties held in the name of the company as at the balance sheet date.

2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion the frequency of such verification is reasonable. According to information and explanations given to us and examined by us, no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3 (iii) of the order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or given any security or made any investment to which the provisions of Section 185 and 186 of the Companies Act, 2013 apply. Consequently, the provisions of clauses 3 (iv) of the order are not applicable to the Company.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Consequently, the provisions of clauses 3 (v) of the order are not applicable to the Company.

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6. As per information & explanation given by the management, the Central Government of India has not been prescribed the maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the activities of the Company. Consequently, the provisions of clauses 3 (vi) of the order are not applicable to the Company.

7. Statutory Liabilities

- a. On the basis of our examination of the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there are no undisputed outstanding statutory dues as on 31st March, 2021 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 the records of the Company examined by us, there are no dues in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.

8. In our opinion and according to the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company. Consequently, the provisions of clauses 3 (viii) of the order are not applicable to the Company.

9. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year. Consequently, the provisions of clauses 3 (ix) of the order are not applicable to the Company.

10. To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. The company is a private limited company and hence provision of section 197 read with Schedule V of the Companies Act, 2013 are not applicable. Consequently, the provisions of clauses 3 (xi) of the order are not applicable to the Company.

12. The company is not a Nidhi Company. Consequently, the provisions of clauses 3 (xii) of the order are not applicable to the Company.

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13. According to the information and explanations given to us and based on our examination of records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

14. On the basis of our examination of records of the Company, the company has not made preferential allotment or private placement of equity shares or fully or partly convertible debentures during the year. Consequently, the provisions of clauses 3 (xiv) of the order are not applicable to the Company.

15. According to the information and explanations given to us and based on our examination of records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Consequently, the provisions of clauses 3 (xv) of the order are not applicable to the Company.

16. According to the information and explanations given to us and based on our examination of records of the Company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Place: ALIGARH
Date: 25/06/2021
UDIN: 21073732AAAADS8968

For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Swapnil Switches Private Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For ATUL GUPTA & Co.
Chartered Accountants
(FRN: 014970C)

A handwritten signature in blue ink, appearing to read "Atul Kumar Gupta".

(CA. ATUL KUMAR GUPTA)
PARTNER
Membership No.: 073732

Place: ALIGARH
Date: 25/06/2021
UDIN: 21073732AAAADS8968

SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

(CIN: U74899DL1991PTC042822)

BALANCE SHEET AS AT 31ST MARCH 2021

(Amount in Rs.)

PARTICULARS	NOTES	31.03.2021	31.3.2020
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	6,090,000	6,090,000
(b) Reserves and surplus	3	35,176,109	31,539,201
2 Non-current Liabilities			
(a) Long Term Borrowing	4	7,483,573	823,750
(b) Long-term provisions	6	4,898,000	6,349,864
3 Current liabilities			
(a) Short-term borrowings	7	7,225,934	8,324,434
(b) Trade payables	8	24,493,580	16,242,460
(c) Other current liabilities	9	6,589,618	4,801,524
(d) Short-term provisions	10	6,336,550	2,796,517
TOTAL		98,293,363	76,967,750
II. ASSETS			
1 Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets	11	19,010,970	6,789,493
(b) Non-current investments		-	-
(c) Deferred tax assets	5	91,939	119,015
(d) Long Term Loans & Advances	12	20,820,677	20,000,300
2 Current Assets			
(a) Trade receivables	13	23,492,618	39,433,283
(b) Inventories	14	22,773,000	8,384,850
(c) Cash and cash equivalents	15	590,502	545,537
(d) Short Term Loans & Advances	16	9,229,661	128,556
(e) Other current assets	17	2,283,996	1,566,716
TOTAL		98,293,363	76,967,750

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For and On Behalf of Board of Directors

Priya Jain
(Priya Jain)
Director

Ajay Maheshwari
(Ajay Maheshwari)
Director

DIN: 03355623

DIN: 03355628

AUDITORS' REPORT

As per our separate report of even date attached.

For ATUL GUPTA & Co.
Chartered Accountants



(ATUL KUMAR GUPTA)
(ATUL KUMAR GUPTA)

Partner (M.No.: 073732)

PLACE: ALIGARH

DATED: 25/06/2021

UDIN: 21073732 *AAAAAD587968*

Firm No.: 014970C; PAN: AATFA2682D

SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021****(Amount in Rs.)**

PARTICULARS		NOTES	31.03.2021	31.3.2020
I.	Revenue from operations	18	153,255,048	146,746,118
II	Intrest Received on FDR		377	0
III.	Total Revenue (I + II)		153,255,425	146,746,118
IV	Expenses:			
	Cost of materials consumed	19	114,008,934	100,576,486
	Changes in inventories of Finished Goods & Work In Process	20	(8,410,200)	720,100
	Employee benefits expense	21	20,429,939	17,579,445
	Finance costs	22	925,883	933,213
	Depreciation and amortization expense	23	1,056,548	756,815
	Other expenses	24	18,637,914	19,365,456
	Total expenses (V)		146,649,017	139,931,515
VI.	Profit before exceptional and extraordinary items and tax (III-V)		6,606,408	6,814,604
	EXTRAORDINARY ITEMS			
VII.	Prior Period Item		600,037	0
VIII	Profit After extraordinary items (VI-VII)		6,006,371	6,814,604
IX	Tax Expenses	25	1,880,593	1,814,490
X	Profit (Loss) for the period (VIII - IX)		4,125,778	5,000,114
XI	Earnings per equity share:			
	(1) Basic & Diluted	26	6.77	8.21

Note: Notes are the integral part of Financial Statements.

For and On Behalf of Board of Directors

Priya Jain
(Priya Jain)
Director

DIN: 03355623

Ajay Maheshwari
(Ajay Maheshwari)
Director

DIN: 03355628

AUDITORS' REPORT

As per our separate report of even date attached.

For ATUL GUPTA & Co.

Chartered Accountants

(ATUL KUMAR GUPTA)

Partner (M.No.: 073732)

Firm No.: 014970C; PAN: AATFA2682D



PLACE: ALIGARH

DATED: 25/06/2021

UDIN: 21073732AAAADS8968

SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2021**


PARTICULARS	31.03.2021	31.03.2020
Cash Flow From Operating Activities		
Net Profit Before Tax	6,006,371	6,814,584
Adjustments for :		
Depreciation/ Amortisation	1,056,548	756,815
Finance cost	925,883	933,213
Operating Profit Before Working Capital Adjustment	7,988,801	8,504,612
Adjustment for Changes in Working Capital		
Trade and other payable	8,251,120	160,889
Long-term provisions	-1,451,864	103,038
Short-term provisions	3,540,033	1,142,145
Other Current Liabilities	1,788,094	2,233,185
Trade and other Recievables	15,940,665	-10,104,163
Long Term Loans & Advances	-820,377	-20,000,000
Short Term Loans & Advances	-9,101,105	-128,556
Other Current Assets	-717,280	-127,232
Inventories	-14,388,150	1,073,400
Cash Flow Generated from Operations	11,029,938	-17,142,682
Taxes Paid	2,342,387	1,808,726
Net Cash flow from Operating activities (A)	8,687,551	-18,951,408
Cash Flow From Investing Activities		
(Purchase)/Sale of Fixed Assets	-13,278,025	
Sale of Shares		19,776,000
Net Cash Flow from Investing Activites (B)	-13,278,025	19,776,000
Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	5,561,323	-136,846
Finance cost	-925,883	-933,213
Net Cash Flow From Financing Activities (C)	4,635,440	-1,070,059
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	44,966	-245,466
Cash & Cash equivalent at the beginning of the year	545,537	791,004
Cash & Cash Equivalent at the end of the year	590,503	545,538



Cash and cash equivalents comprises of :

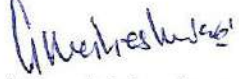
PARTICULARS	31.03.2021	31.03.2020
Cash-in-Hand	453,911	420,885
Balance with Banks	136,591	124,652
Total	590,502	545,537

For and On Behalf of Board of Directors


(Priya Jain)

Director

DIN: 03355623


(Ajay Maheshwari)

Director

DIN: 03355628

AUDITORS' REPORT

As per our separate report of even date attached.



PLACE: ALIGARH

DATED: 25/06/2021

UDIN: 21073732AAAAAS8968

For ATUL GUPTA & Co.

Chartered Accountants



(ATUL KUMAR GUPTA)

Partner (M.No.: 073732)

Firm No.: 014970C; PAN: AATFA2682D

M/s. SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

CIN No.: U74899DL1991PTC042822

NOTES ON BALANCE SHEET AS AT 31.03.2021

NOTE-1 NOTES FORMING PART OF ACCOUNTS

A. Accounting Policies

1. Basis of Accounting :

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

2. Revenue Recognition :

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis except discount claims, rebates, export incentives and retirement benefits which cannot be determined with certainty during the year.

3. Fixed Assets :

Fixed assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

4. Depreciation :

Depreciation on Fixed Assets is provided to the extent of depreciable amount on WDV method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

5. Retirement Benefits :

- Gratuity: The Company has accounted for its gratuity liability payable to the eligible employees for the financial year as per the valuation provided by the actuaries.
- Encashment of Leave of employees has been accounted for on cash basis which is in preference of AS-15 of The Institute of Chartered Accountants of India.

6. Inventories :

Inventories are valued as under:-

- Raw Material and Stores etc. are valued at cost or market price whichever is lower.
- Work in process is valued at cost or market price whichever is lower.
- Finished goods are valued at cost or market price whichever is lower.
- Cost of Inventory is generally ascertained on FIFO Method.

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7. Taxes on Income :

- Provision for current tax is made for the amount of tax payable in respect of taxable income for the period as per the provision the Income Tax Act, 1961.
- Deferred Tax is accounted for by computing the tax effect on timing difference which arises during the period and reversed in subsequent year as per AS-22 of the Institute of Chartered Accountants of India.

8. Provisions, Contingent Liabilities and Contingent Assets:- (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:-

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

9. General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles & have been consistently applied.

(B) Notes on Financial Statements

1. There is no employee who is in the receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act, 2013.
2. Managerial Remuneration paid to directors is as follows:-

		<u>Current Year</u>	<u>Previous Year</u>
Mrs. Asha Jain, Director	-	43,12,500.00	15,00,000.00
Mr. Ajay Maheshwari, Director	-	9,60,935.00	11,27,742.00
Mrs. Priya Jain, Director	-	2,10,000.00	12,00,000.00

3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Payments to Auditors:

Auditors Remuneration	2020-21	2019-20
Audit Fees	25000.00	25000.00
Tax Audit Fees	5000.00	5000.00
G.S.T. (At the time of payment)	0.00	0.00
Total	30000.00	30000.00

Contd.....



5. In the opinion of the management the value on realization of current assets, Loans & Advance in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
6. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
7. No provision for retirement benefits has been made, in view of accounting policy No. 5. The impact of the same on Profit & Loss is not determined.
8. The SSI status of the Sundry Creditors is not known to the company; hence the information is not given.

9. Related Party disclosure:

The transactions with related parties are disclosed in Note No. 27 to the financial statements for the financial year 2020-21.

10. Deferred Tax Liabilities of Rs. 27,076.00 have been created during the current period as per the provisions prescribed in AS-22 issued by The Institute of Chartered Accountants of India. Major components of Deferred tax:-

Particulars	As at 31.03.2021 (Rs.)	As at 31.03.2020 (Rs.)
A) Deferred Tax Liability		
Depreciation	2,18,783.00	0.00
Others	0.00	0.00
Total(A)	2,18,783.00	0.00
B) Deferred Tax Assets		
Depreciation	0.00	1,19,015.00
Others	3,10,722.00	0.00
Total(B)	3,10,722.00	1,19,015.00
Net Deferred Tax liabilities/(assets) (A-B)	(91,939.00)	(1,19,015.00)

11. % of imported & indigenous raw material & consumables

	2020-21		2019-20	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	100.00	12,05,48,646.00	100.00	10,26,61,838.00

12. Value of Imports

	<u>2020-21</u>	<u>2019-20</u>
Raw Material	NIL	NIL
Finished Goods	NIL	NIL

13. Expenditure in Foreign Currency

NIL

14. Earning in Foreign Exchange

NIL

15. Previous year figures have been regrouped/rearranged, wherever considered necessary to make these comparable with the figures of current year.



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

(CIN: U74899DL1991PTC042822)

NOTES ON BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021

Note 2 : Share Capital

(Amount in Rs.)

(a) Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs. 10.00 each	650,000	6,500,000	650,000	6,500,000
Issued, Subscribed & Paid up				
Equity Shares of Rs. 10.00 each	609,000	6,090,000	609,000	6,090,000
TOTAL	609,000	6,090,000	609,000	6,090,000

(b) Disclosure pursuant to Note no. 2 (a)

(Amount in Rs.)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	609,000	6,090,000	300,000	3,000,000
Shares Issued during the year	-	-	309,000	3,090,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	609,000	6,090,000	609,000	6,090,000

(c) Disclosure pursuant to Note no. 2 (b)

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mrs. Asha Jain	116509	19.13%	116510	19.13%
Mrs. Mamta Jain	-	-	-	-
P.J.Wealth Management & Consultant Pvt Ltd	55000	9.03%	55000	9.03%
Pavna Industries Ltd	309001	50.74%	309001	50.74%
Mrs. Priya Jain	122480	20.11%	122480	20.11%

Note 3 : Reserve & Surplus

(Amount in Rs.)

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Share Premium Account	16,686,000	16,686,000
Profit & Loss Appropriation		
Opening balance as on 01.04.2020	14,853,201	16,099,933
(-) Income Tax/Self Assessment Tax	(488,870)	(62,826)
(-) Provision of Gratuity of earlier years	-	(6,184,000)
(+) Net Profit For the current year	4,125,778	5,000,094
Closing Balance as on 31.03.2021	18,490,109	14,853,201
TOTAL	35,176,109	31,539,201

Note 4 : Long Term Borrowings

(Amount in Rs.)

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Secured Loans		
HDFC Bank, Aligarh (Car Loan A/c.)	7,483,573	823,750
(Secured by Hypothecation of Car and personal guarantee of Directors)		
TOTAL	7,483,573	823,750



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****NOTES ON BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021****Note 5 : Deferred Tax Liability/ (Deferred Tax Asset)****(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Opening Balance	(119,015)	(124,779)
Add : Provision made during the year	27,076	5,764
TOTAL	(91,939)	(119,015)

Note 6 : Long Term Provisions**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
- Provision For Gratuity	4,898,000	6,349,864
TOTAL	4,898,000	6,349,864

Note 7 : Short Term Borrowings**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Secured Loans		
HDFC Bank, Aligarh (Cash Credit A/c.)	7,225,934	8,324,434
(Secured by Hypothecation of Stock, Book Debts and personal guarantee of Directors)		
TOTAL	7,225,934	8,324,434

Note 8 : Trade Payables**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Due to Micro Small & Medium Enterprises	-	-
Due to Others	24,493,579	16,242,460
TOTAL	24,493,579	16,242,460

Note 9 : Other Current Liabilities**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Current maturities of Long term Borrowings (HDFC Bank, Aligarh- Secured by Hypothecation of Car and personal guarantee of Directors)	3,815,806	745,186
Other payables		
a. Advance from Customers	202,624	2,125,989
b. TDS/TCS Payable	290,582	121,092
c. VAT/GST Payable	(42,529)	(31,358)
d. Expenses Payable	1,681,340	1,259,569
e. Royalty Payable	423,367	396,214
f. E.S.I. Payable	37,738	32,677
g. P.F. Payable	180,689	152,154
TOTAL	6,589,618	4,801,524



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****NOTES ON BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021****Note 10 : Short Terms Provisions****(Amount in Rs.)**

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
a. Provision For Bonus	1,659,124	613,791
b. Provision For Income Tax	2,262,243	1,808,726
c. Provision For Gratuity	2,415,183	374,000
TOTAL	6,336,550	2,796,517

Note 12 : Long Term Loans & Advances**(Amount in Rs.)**

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
SECURITY DEPOSIT		
a. With Telephone Department	300	300
b. Security against Rent for use of Immovable Property	20,000,000	20,000,000
c. Security Deposits	810,000	-
d. FDR	10,377	-
TOTAL	20,820,677	20,000,300

Note 13 : Trade Receivables**(Amount in Rs.)**

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
Trade Receivables		
Unsecured but considered good		
for a period more than six months	149,003	7,497,430
for a period less than six months	23,343,615	31,935,853
TOTAL	23,492,618	39,433,283

Note 14 : Inventories**(Amount in Rs.)**

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
Stock in Hand		
a. Raw Material	8,162,400	3,038,400
b. Work-In-Progress	13,250,600	4,840,400
c. Finished Goods	-	-
d. Stores & Spares	1,360,000	506,050
(Inventories are valued at Cost or Net Realisable Value whichever is less, where the cost is determined using the FIFO Method.)		
TOTAL	22,773,000	8,384,850



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

(CIN: U74899DL1991PTC042822)

NOTES ON BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021

Note 15 : Cash and cash equivalents

(Amount in Rs.)

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
a. Balances with banks	136,591	124,652
b. Cash in hand	453,911	420,885
TOTAL	590,502	545,537

Note 16 : Short Term Loans and Advances

(Amount in Rs.)

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
a. Salary Advance	48,000	30,000
b. Advance to Suppliers	9,181,661	98,556
TOTAL	9,229,661	128,556

Note 17 : Other Current Assets

(Amount in Rs.)

<u>Particulars</u>	31.03.2021	31.03.2020
	Rs.	Rs.
a. Prepaid Insurance	290,007	166,716
b. Advance Income Tax/TDS	1,993,989	1,400,000
TOTAL	2,283,996	1,566,716



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

(CIN: U74899DL1991PTC042822)

NOTES ON BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021

Note 11 : Fixed Assets

(Amount in Rs.)

	Useful Life (In Years)	Shift	Gross Block			Accumulated Depreciation/ Amortisation		Net Block	
			Balance as at 1st April 2020	Additions during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Provided during the period	Balance as at 31st March 2021	Balance as at 31st March 2020
Buildings									
Building	30	Single	1,509,175	0	1,509,174	516,716	36,130	956,328	992,459
Plant and Machinery									
Plant and Machinery	15	Single	10,301,808	346,200	10,648,008	7,942,804	239,262	2,465,942	2,359,004
Furniture and fittings									
Furniture and Fixtures	10	Single	387,946	0	387,946	335,064	5,597	47,285	52,882
Computers & Peripherals									
Computers	3	Single	1,322,763	12,670	1,335,433	1,309,933	1,066	24,434	12,830
Motor Vehicles									
Motorcycle	10	Single	80,709	0	80,709	76,544	86	4,079	4,165
Car	8	Single	4,667,841	12,919,155	17,586,996	1,299,687	774,407	15,512,902	3,368,154
Current Year		Total	18,270,242	13,278,025	31,548,266	11,480,748	1,056,548	19,010,970	6,789,494
Previous Year		Total							

WDV as per Companies Act 19,010,970
WDV as per Income Tax Act 18,169,496
Difference 841,474

Deferred Tax Assets
Provision as on 31.03.21 @ 26% 218,783
Less : Opening Balance as on 01.04.20 -119,015
Provision to be created 337,798

DEFERRED TAX ASSETS DUE TO SEC.43B
Provision for Gratuity 1195085
AMT DISALLOWED UNDER SEC.43B 310,722
Deferred Tax Assets -27,076
NET CHARGE FOR THE YEAR 91,939
CLOSING DEFERRED TAX ASSETS



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021****Note 18 : Revenue From Operations****(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Sale of manufactured goods	153,255,048	146,746,118
TOTAL	153,255,048	146,746,118

Note 19 : Cost of Material Consumed**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
a. Opening Stock of Raw Material	3,038,400	3,025,500
b. Purchases	118,942,732	100,416,153
c. Carriage & Freight Inward	190,202	173,234
d. Less : Closing Stock of Raw Material	8,162,400	3,038,400
TOTAL	114,008,934	100,576,486

Note 20 : Changes in inventories - Work in Progress**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
a. Opening Work -in-Progress	4,840,400	5,560,500
b. Closing Work -in-Progress	13,250,600	4,840,400
TOTAL	-8,410,200	720,100

Note 21 : Employees Benefit Expenses**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
a. Directors remuneration	5,483,435	4,727,742
b. Salaries, Wages and incentives	10,060,267	10,205,313
c. Contributions to P.F.	702,019	389,640
d. Contributions to ESI	274,069	258,180
e. Staff welfare expenses	1,055,935	844,915
f. Gratuity Provision	1,195,085	539,864
g. Bonus	1,659,129	613,791
TOTAL	20,429,939	17,579,445

Note 22 : Finance Cost**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs	Rs
a. Interest on Bank Borrowings	895,199	916,170
b. Bank Charges	30,683	17,043
TOTAL	925,883	933,213

Note 23 : Depreciation & Amortization Expenses**(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
Depreciation for the year	1,056,548.00	756,815
TOTAL	1,056,548.00	756,815



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI**(CIN: U74899DL1991PTC042822)****NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021****Note 24 : Other Expenses****(Amount in Rs.)**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
a. Audit Fees	30,000	30,000
b. Building Repair & Maintenance	74,572	59,378
c. Business Promotion Expenses	243,873	428,171
d. Commission Paid	-	27,900
e. Communication Expenses	58,106	31,730
f. Consumption of Stores, Spares, Packing and Tools*	751,964	2,611,884
g. Electricity Expenses	118,150	102,971
h. Freight & Forwarding Expenses	83,318	48,125
i. Insurance Expenses	259,548	87,630
j. ISO Certification Expenses	-	25,000
k. Job Work Charges	10,503,693	9,998,450
l. Legal & Professional Expenses	1,279,267	479,898
m. Line/Warranty Rejection & Bad Debts	136,831	145,511
n. Marketing Expenses	189,260	208,500
o. Non Competitive Fees	500,000	500,000
p. Office Expenses	146,856	237,262
q. Power & Fuel Expenses	1,039,365	1,035,044
r. Printing & Stationery Expenses	50,901	21,437
s. Rebate & Discount to Piaggio Ltd.	156,750	600,000
t. Rent	840,000	720,000
u. Repair & Maintenance	347,182	324,083
v. GST/Sales Tax/Misc. Expenses	12,059	2,160
w. Security Expenses	36,316	74,346
x. Trademark Royalty	383,138	366,865
y. Travelling & Conveyance Expenses	389,724	405,535
z. Vehicle Running & Maintenance Expenses	756,041	793,576
za. Donation	251,000	-
TOTAL	18,637,914	19,365,456
* additional information		
Consumption of Stores, Spares, Packing and Tools		
Opening Stock	506,050	872,250
Add: Purchase of Stores and Spare Parts	472,343	307,940
Purchase of Consumable Tools	637,999	1,185,929
Purchase of Packing Materials	495,572	751,816
	2,111,964	3,117,934
Less: Closing Stock	1,360,000	506,050
Net Consumption of Stores, Spares, Packing etc.	751,964	2,611,884

Note 25 : Tax Expenses**Amount in Rs.**

Particulars	31.03.2021	31.03.2020
	Rs.	Rs.
a. Current Tax	1,853,517	1,808,726
b. Deferred Tax Liability (AS-22)	27,076	5,764
TOTAL	1,880,593	1,814,490



SWAPNIL SWITCHES PRIVATE LIMITED, DELHI

(CIN: U74899DL1991PTC042822)

NOTES ON STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2021

Note - 26 Earning Per Share

(Amount in Rs.)

PARTICULARS	31.03.2021	31.03.2020
a) Net Profit After Tax	4,125,777.84	5,000,113.84
b) Weighted Average no. of Equity shares o/s. during the year		
for Basic EPS (Nos.)	609,000.00	301,693.00
for Diluted EPS (Nos.)	609,000.00	301,693.00
c) Earning Per Shares		
Basic (in Rs.)	6.77	16.57
Diluted (in Rs.)	6.77	16.57
d) Nominal Value Per Share (in Rs.)	10	10

Note 27 : Related Party Transactions

(Amount in Rs.)

Name of the Person	Relation	Nature of Payment	31.03.2021	31.03.2020
Mr. Pawan Jain	Managing Director	Remuneration	0	900,000
Mr. Pawan Jain	Director	Consultancy	100,000	0
Mrs. Asha Jain	Managing Director	Remuneration	4,312,500	1,500,000
Mr. Swapnil Jain	Son of Director	Salary	315,000	1,800,000
Mr. Ajay Maheshwari	Director	Remuneration	960,935	1,127,742
Mrs. Priya Jain	Director	Remuneration	210,000	1,200,000
Mr. Pawan Jain	Managing Director	Building Rent	420,000	360,000
Mrs. Asha Jain	Director	Building Rent	420,000	360,000
Mr. Pawan Jain	Managing Director	Trade Mark Royalty	383,138	366,865
Pavna Auto Engineering Pvt. Ltd.	Associate Concern	Sales	0	4,550
Pavna Industries Ltd.	Associate Concern	Sales	7,353,179	10,091,132
Pavna Marketing Pvt Ltd	Associate Concern	Sales	100,988,776	36,364,013
Pavna Industries Ltd.	Associate Concern	Share Purchase	0	19,776,000
Pavna Marketing Pvt Ltd	Associate Concern	Purchases	209,928	0
Pavna Auto Engineering Pvt. Ltd.	Associate Concern	Purchases	84,079	424,437
Pavna Industries Ltd.	Associate Concern	Purchases	51,846,175	2,251,426
Outstanding Balances				
Pavna Marketing Pvt Ltd	Sister Concern	Debtors	10,702,603	19,327,561
Pavna Auto Engineering Pvt. Ltd.	Sister Concern	Creditors	33,367	30,144
Pavna Industries Limited	Sister Concern	Advance to Supplier	8,983,565	754,144
Mr. Pawan Jain	Managing Director	Creditors-Rent	38,675.00	32,400

AUDITORS' REPORT

As per our separate report of even date attached.

For ATUL GUPTA & Co.

Chartered Accountants



(Signature of Atul Gupta)

(ATUL KUMAR GUPTA)

Partner

(M.No.: 073732)

PLACE: ALIGARH

DATED: 25/06/2021

UDIN: 21073732

Firm No.: 014970C; PAN: AATFA2682D

DSB968

For and On Behalf of Board of Directors

(Signature of Priya Jain)
(Priya Jain)

Director

DIN: 03355623

(Signature of Ajay Maheshwari)
(Ajay Maheshwari)

Director

DIN: 03355628