

INDEPENDENT AUDITOR'S REPORT

To The Members of **VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED** Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 [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, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, 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 identified above when it becomes available 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 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

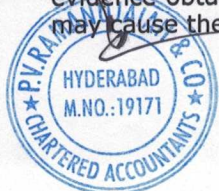
Auditor's Responsibility for the Audit of the Financial Statements

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 scepticism 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 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

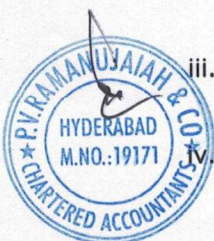
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Section 143(3) of the Act, based on our audit we report that:

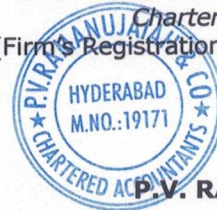
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (a) The Management has represented that, to the best of its knowledge and belief,



no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company

- v. to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, 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, 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.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi) The Company has accounting software that has an audit trail (Edit log) throughout the year.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **P.V. RAMANUJIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJIAH
PROPRIETOR
(Membership No. 019171)
UDIN:24019171BKEXGN3299

Place: Hyderabad
Date: 30/08/2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of **Vedavag Common Service Centers Private Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS 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.

Auditor's Responsibility

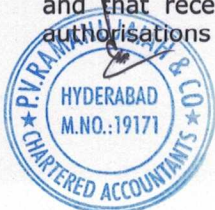
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

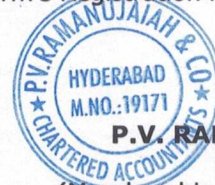
Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the respective 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 **P.V. RAMANUJIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJIAH
PROPRIETOR
(Membership No. 019171)
UDIN: 24019171BKEXGN3299

Place: Hyderabad
Date: 30/08/2024

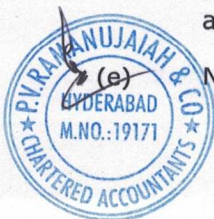
ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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:

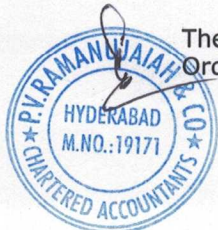
- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment and capital work-in-progress so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets of the Company and the returns or statements filed by the company with such banks are in agreement with the books of account of the company.
- (iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) and (iii)(b) of the Order are not applicable.
- (b) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (c) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen



due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, In respect of statutory dues,
- (a) there were no undisputed amounts payable in respect of GST, Provident Fund, Employee State Insurance and Income tax dues in arrears as at 31.03.2024.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans and other borrowings.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) The Term Loans obtained have been utilised only for the purpose of loan applied and there were no diversion of funds.
- (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),(f) There are no subsidiaries, associates or Joint Ventures to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any monies by way of public offers during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



- (xiii) In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a)(b) In our opinion internal audit system is not applicable to the company commensurate with the size and the nature of its business.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order are not applicable.
- (d) As represented to us by the Management, the Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) (a)(b) Corporate Social Responsibility (CSR) is not applicable to the Company. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **P.V. RAMANUJAIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJAIAH
PROPRIETOR
(Membership No. 019171)
UDIN: 24019171BKEXGN3299

Place: Hyderabad
Date: 30/08/2024

VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED

103, West Block, Siri Sai Orchid, Madhapur, Hitec City, Hyderabad 500 081

BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note	As at 31.03.2024	As at 31.03.2023
		Rs.	Rs.
I Assets			
(1) Non-Current Assets			
(a) Property Plant & Equipment	1	3,680	15,301
(b) Other Intangible Assets		-	-
(c) Financial Assets			
i Investments		-	-
ii Trade Receivables		-	-
iii Other Financial Assets		-	-
(d) Other Non Current Assets		-	-
Total Non Current Assets		3,680	15,301
2 Current Assets			
(a) Inventories		-	-
(b) WIP			
(b) Financial Assets			
i Investments			
ii Trade Receivables	2	10,461	19,203,598
iii Cash and Cash Equivalents	3	642,324	852,224
iv Bank Balances Other than iii above			-
(d) Other Current Assets	4	33,370,304	14,173,900
Total Current Assets		34,023,089	34,229,722
Total Assets		34,026,769	34,245,023
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	5	100,000	100,000
(b) Other Equity	6	6,948,517	6,466,932
Total Equity		7,048,517	6,566,932
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
i Borrowings			
ii. Trade Payables			
iii. Other Financial Liabilities			
(b) Deferred Tax Liabilities (Net)	7	1,862	3,902
(c) Other Non Current Liabilities			
Total Non Current Liabilities		1,862	3,902
3 Current Liabilities			
(a) Financial Liabilities			
i Borrowings			
ii Trade Payables			
iii Other Financial Liabilities			
(b) Other Current Liabilities	8	26,813,676	26,631,657
(c) Current Tax Liabilities	9	162,714	1,042,532
Total Current Liabilities		26,976,390	27,674,189
Total Liabilities (2+3)		26,978,252	27,678,091
Total Equity and Liabilities		34,026,769	34,245,023

Significant Accounting Policies

The accompanying notes 1 to 8 are an integral part of the financial statements

as per our report of even date

for P V RAMANUJIAH & CO

CHARTERED ACCOUNTANTS

FIRM REGD. NO. 0269305

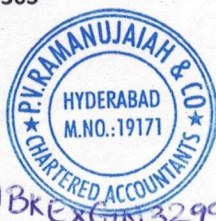
P V RAMANUJIAH

Chartered Accountant

M.No.019171

Place: Hyderabad

Date: 30-08-2024



For & on behalf of the Board of Directors



JSR Durgaprasad

Director

DIN No.00016037

J Murali Krishna

Director

DIN No.00016054

UDIN No 24019171BKE XGTN 3299

VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED

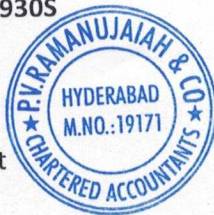
103, West Block, Siri Sai Orchid, Madhapur, Hitec City, Hyderabad 500 081

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

	Particulars	Note	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
1	INCOME			
	a) Revenue from Operations	10	14,170,551	81,821,238
	b) Other Income		-	-
	Total Income		14,170,551	81,821,238
2	EXPENSES			
	a) Direct / Project Expenses	11	-	-
	b) Cost of Material	12	12,678,150	76,657,442
	c) Employee Benefits Expense	13	780,000	789,000
	d) Finance Cost		-	-
	e) Depreciation and Amortisation Expense	1	11,621	23,307
	f) Other Expenses	14	58,520	184,061
	Total Expenses		13,528,292	77,653,810
3	Profit Before Exceptional Item and Tax (1-2)		642,259	4,167,428
4	Exceptional Item		-	-
5	Profit Before Tax		642,259	4,167,428
	Tax Expenses			
	Current Tax		162,714	1,042,532
	Deferred Tax		-2,040	5,827
6	Profit After Tax		481,585	3,119,070
7	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		-	-
	Total other comprehensive Income		-	-
8	Total Comprehensive Income		481,585	3,119,070
9	Earnings per Share			
	a) Basic		48.16	311.91
	b) Diluted		48.16	311.91

as per our report of even date
for P V RAMANUJIAH & CO
CHARTERED ACCOUNTANTS
FIRM REGD. NO. 0269305

P V RAMANUJIAH
Chartered Accountant
M.No.019171



For & on behalf of the Board of Directors

JSR Durgaprasad
Director
DIN No.00016037

J Murali Krishna
Director
DIN No.00016054

Place: Hyderabad
Date: 30-08-2024

UDIN No. 24019171 BKEX6N3299

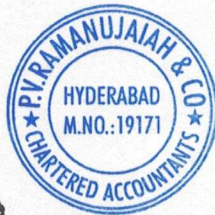
VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED

103, West Block, Siri Sai Orchid, Madhapur, Hitec City, Hyderabad 500 081

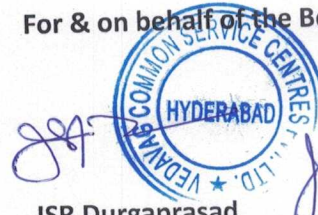
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2024

Particulars	As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	642,259	4,167,428
Adjustments for:		
Depreciation	11,621	23,307
Interest & Finance Charges	-	-
Interest Income	-	-
Operating Profit before Working Capital Changes	653,881	4,190,735
Adjustments for:		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Current Trade Receivables	19,193,137	-5,221,237
(Increase)/Decrease in Non current Trade Receivables	-	-
(Increase)/Decrease in Other Non-Current Assets	-	-
(Increase)/Decrease in Investments	-	-
(Increase)/Decrease in Other Current Assets	-19,196,404	-173,880
Increase/(Decrease) in Trade Payables	-	-
Increase/(Decrease) in Other Current Liabilities & Provisions	-697,799	2,746,001
Increase/(Decrease) in Non Current Liabilities	-	-
Cash generated from operations	-47,186	1,541,619
Income Tax	162,714	1,042,532
Net Cash flow from Operating activities	-209,900	499,087
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work In progress	-	-
Purchase of Investments	-	-
Interest Received	-	-
Net Cash used in Investing activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Equity	-	-
Change in Other Equity	-	-
Interest Charges	-	-
Dividend Payment	-	-
Borrowings	-	-
Net Cash used in financing activities	-	-
Net Increase in Cash & Cash Equivalents	-209,900	499,087
Cash and Cash Equivalent at the beginning of the period	852,224	353,137
Cash and Cash Equivalent at the end of the period	642,325	852,224

P V RAMANUJIAH
Chartered Accountant
M.No.019171



For & on behalf of the Board of Directors



JSR Durgaprasad
Director
DIN No.00016037

J Murali Krishna
Director
DIN No.00016054

Place: Hyderabad

Date: 30-08-2024

UDIN No. 24019171/BKEXG1N3299

VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED
103, West Block, Siri Sai Orchid, Madhapur, Hitec City, Hyderabad 500 081

SCHEDULES TO BALANCE SHEET

Amount in Rs.

Note : 2 Trade Receivables

	31.03.2024	31.03.2024
Particulars		
Secured, Considered Good	10,461	19,203,598
(Receivable from govt. Parties and Others)		
Total	10,461	19,203,598

Note : 3 Cash and Cash Equivalents

	31.03.2024	31.03.2024
Particulars		
Balance with Bank	4,479	4,791
Cash on Hand	637,845	847,433
Total	642,324	852,224

Note : 4 Other Current Assets

	31.03.2024	31.03.2024
Particulars		
Misc. Expenditure	65,500	65,500
Advances to CSPs	20,685,538	-
Other Advances	12,619,266	14,108,400
Total	33,370,304	14,173,900

Note : 6 Other Equity

	31.03.2024	31.03.2024
Particulars		
Surplus		
Opening Balances	6,466,932	3,347,861
Add: Profit during the Year	481,585	3,119,071
Total	6,948,517	6,466,932

Note : 7 Deferred Tax Liability/Asset

	31.03.2024	31.03.2024
Particulars		
Deferred tax asset	1,862	3,902
Total	1,862	3,902

Note : 8 Other Current Liabilities

	31.03.2024	31.03.2024
Particulars		
Advance from Vedavaag Systems Limited	24,518,976	23,666,677
Other liability	2,294,700	2,964,980
Total	26,813,676	26,631,657

Note : 9 Current Tax Liability

	31.03.2024	31.03.2024
Particulars		
Provision for the year	162,714	1,042,532
Less: TDS	-	-
Total	162,714	1,042,532

Note : 5 Notes to Equity

Amount in Rs.

A Equity Share Capital	As at 31.03.2024		As at 31.03.2024	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10 Each	10,000	100,000	10,000	100,000
Total		100,000		100,000

Issued, Subscribed & paid up				
Equity shares of Rs.10 Each	10,000	100,000	10,000	100,000
Total		100,000		100,000

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

Particulars	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	-	-		
Shares issued during the year	10,000	100,000	10,000	100,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

C Terms/rights attached to equity shares, including restrictions on distribution of dividends and the repayment of capital

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

D Shares in the Company held by each share holder

Name of Share Holder	As at 31st March 2024		As at 31st March 2023	
	No of Shares Held	% of holding	No of Shares Held	% of holding
Vedavaag Systems Limited	9,900	99.00%	9,900	99.00%
JSR Durgaprasad	100	1.00%	100	1.00%

VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED
103, West Block, Siri Sai Orchid, Madhapur, Hitec City, Hyderabad 500 081

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

Note : 10 Revenue

	31.03.2024	31.03.2023
Particulars		
Sales - Groceries	-	-
Sales _ Agri	14,170,551	81,821,238
Service income _ registration fee	-	-
Total	14,170,551	81,821,238

Note : 11 Direct / Project Expenses

	31.03.2024	31.03.2023
Particulars		
Transportation charges	-	-
Total	-	-

Note : 12 Cost of Material

	31.03.2024	31.03.2023
Particulars		
Opening Inventory	-	-
Add: Purchases	12,678,150	76,657,442
Less: Closing Stock	-	-
Total	12,678,150	76,657,442

Note : 13 Employees Benefits

	31.03.2024	31.03.2023
Particulars		
Salaries	780,000	789,000
Total	780,000	789,000

Note : 14 Other Expenses

	31.03.2024	31.03.2023
Particulars		
Bank Charges	16,672	20,113
Consultancy	30,000	-
GST Late Fees	5,640	3,800
Audit fee	5,000	5,000
Office expenses	-	144,970
ROC Expenses	1,208	10,178
Total	58,520	184,061

Statement of Change in Equity

Particulars	As at 31.03.2024	As at 31.03.2023
	Rs.	Rs.
A. Equity Share Capital		
Balance at the beginning	100,000	100,000
Add: Changes in Equity share capital during the year	-	-
Closing Balances	100,000	100,000

B. Other Equity

Particulars	As at 31.03.2024	As at 31.03.2023
Surplus		
Opening Balances	9,072,003	5,952,933
Add: Profit during the Year	481,585	3,119,070
Total	9,553,588	9,072,003

VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED

NOTES TO BALANCE SHEET

Note 1 : Property Plant & Equipment

Amount Rs.

Particulars	Computer Hardware	Total
Gross Block		
<i>Balance as at 31.03.2022</i>	73,600	73,600
Additions	-	-
Deletions	-	-
<i>Balance as at 31.03.2023</i>	73,600	73,600
Additions	-	-
Deletions	-	-
<i>Balance as at 31.03.2024</i>	73,600	73,600
Accumulated Depreciation		
<i>Balance as at 31.03.2022</i>	34,992	34,992
Charge for the year	23,307	23,307
Deletion	-	-
<i>Balance as at 31.03.2023</i>	58,299	58,299
Charge for the year	11,621	11,621
Deletion	-	-
<i>Balance as at 31.03.2024</i>	69,920	69,920
Net Block		
<i>Balance as at 31.03.2023</i>	38,608	38,608
<i>Balance as at 31.03.2024</i>	15,301	15,301
<i>Balance as at 31.03.2024</i>	3,680	3,680

Fixed Assets

As per IT Act

Additions

Particulars	01.04.2023	Above 180 Days	Below 180 Days	Deletions	Depreciation	31.03.2024
Tangible						
Plant and Machinery 40%	18,547	-	-	-	7,419	11,128
Plant and Machinery 15%	-	-	-	-	-	-
Furniture and Fittings 10%	-	-	-	-	-	-
Total	18,547	-	-	-	7,419	11,128

INDEPENDENT AUDITOR'S REPORT

To The Members of **VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED** Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **VEDAVAG COMMON SERVICE CENTERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 [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, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, 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 identified above when it becomes available 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 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

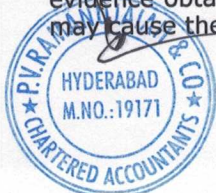
Auditor's Responsibility for the Audit of the Financial Statements

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 scepticism 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 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 Section 143(3) of the Act, based on our audit we report that:

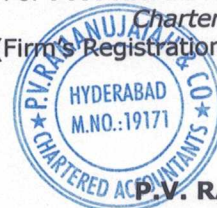
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (a) The Management has represented that, to the best of its knowledge and belief,



no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company

- v. to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, 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, 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.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi) The Company has accounting software that has an audit trail (Edit log) throughout the year.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **P.V. RAMANUJIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJIAH
PROPRIETOR
(Membership No. 019171)
UDIN:24019171BKEXGN3299

Place: Hyderabad
Date: 30/08/2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of **Vedavag Common Service Centers Private Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS 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.

Auditor's Responsibility

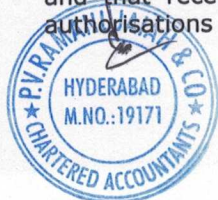
Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

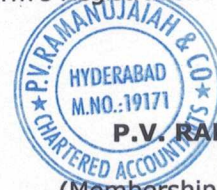
Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the respective 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 **P.V. RAMANUJIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJIAH
PROPRIETOR
(Membership No. 019171)
UDIN: 24019171BKEXGN3299

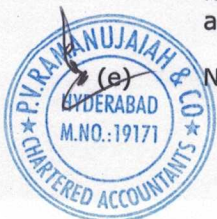
Place: Hyderabad
Date: 30/08/2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

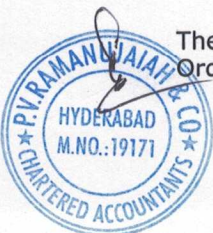
In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
 - (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification of property, plant and equipment and capital work-in-progress so to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
 - (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets of the Company and the returns or statements filed by the company with such banks are in agreement with the books of account of the company.
- (iii)
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) and (iii)(b) of the Order are not applicable.
 - (b) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
 - (c) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (d) No loan or advance in the nature of loan granted by the Company which has fallen



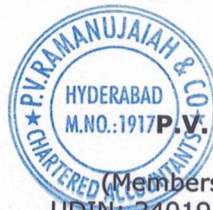
due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, In respect of statutory dues,
- (a) there were no undisputed amounts payable in respect of GST, Provident Fund, Employee State Insurance and Income tax dues in arrears as at 31.03.2024.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans and other borrowings.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) The Term Loans obtained have been utilised only for the purpose of loan applied and there were no diversion of funds.
- (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),(f) There are no subsidiaries, associates or Joint Ventures to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any monies by way of public offers during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.



- (xiii) In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a)(b) In our opinion internal audit system is not applicable to the company commensurate with the size and the nature of its business.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order are not applicable.
- (d) As represented to us by the Management, the Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) (a)(b) Corporate Social Responsibility (CSR) is not applicable to the Company. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **P.V. RAMANUJIAH & CO.,**
Chartered accountants
(Firm's Registration No. 026930S)



P.V. RAMANUJIAH
PROPRIETOR
(Membership No. 019171)
UDIN: 24019171BKEXGN3299

Place: Hyderabad
Date: 30/08/2024