

## **Independent Auditor's Report**

To the Members of **Sai Utility and Fire Systems India Pvt. Ltd.**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Sai Utility and Fire Systems India Pvt. Ltd.** ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021 and the Statement of Profit and Loss for the period from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021 and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their state of affairs of the Company as at March 31, 2021, of the loss and its cash flows for the year then ended.

#### **Basis for Opinion**

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

## **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 obtained at the date of this auditor's report is information included in the 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 in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

## **Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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 independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

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, is applicable to the company, refer to annexure "A"

As required by Section 143(3) of the Act, we report that:

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.

- a. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- b. The Balance Sheet and Statement of Profit and Loss and the Cash Flow dealt with by this Report are in agreement with the books of account;
- c. 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.
- d. 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.

- e. 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.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has 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 as on 31st March, 2021.

PLACE: - PUNE  
DATE: - 29/11/2021

FOR SUSHANT L. YARDI & CO.  
CHARTERED ACCOUNTANTS  
FRN-125900W

*S. L. Yardi*



CA SUSHANT L. YARDI  
PROPRIETOR  
MEMBERSHIP NO.118477  
UDIN - 21118477AAAAFTS304

### **'Annexure A' to Auditor's Report**

**The 'Annexure A' referred to in paragraph above of the Our Report of even date to the members of Sai Utility and Fire Systems India Pvt. Ltd. on the accounts of the company for the year ended 31st March 2021.**

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any immovable properties held in his name.
- II. (a) As explained to us, the company do not maintain any inventory records. The management has calculated the work in progress and provided the certificate of the same.
- III. 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 or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses (iii)(a) and (iii)(b) of the order are not applicable to the Company.
- IV. 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 or provided guarantees or security to the parties covered under section 185 & also not made any investments under section 186 of the Companies Act, 2013.
- V. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.

- VI.** The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act.
- VII.** (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, excise which have not been deposited with the appropriate authorities on account of any dispute.
- VIII.** According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holder.
- IX.** The Company did not raise any money by way of initial public offer (including debt instruments) and term loans during the year.
- X.** According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- XI.** As the company is Private Limited Company, the provisions of Section 197 of the Companies Act, 2013 read with schedule V of the Act are not applicable.
- XII.** In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII.** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV.** According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any

preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- XV.** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI.** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**PLACE: - PUNE**  
**DATE: - 29/11/2021**

**FOR SUSHANT L. YARDI & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN-125900W**

*S. L. Yardi*

**CA SUSHANT L. YARDI**  
**PROPRIETOR**  
**MEMBERSHIP NO.118477**

**VDIN: 21118477AAA AFT5304**





**SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.**

CIN- U74999PN2014PTC152923

**Balance Sheet**

as at 31 March 2021

(Currency - Indian Rupees)

Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of current reporting period
		From 01/04/2020 To 31/03/2021	From 01/04/2019 To 31/03/2020
<b>A EQUITY AND LIABILITIES</b>			
<b>I Shareholders' funds</b>			
Share capital	3	1,000,000	100,000
Reserves and surplus	4	2,403,155	10,399,352
<b>II Share Application Money Pending allotment</b>		-	-
	(A)	<b>3,403,155</b>	<b>10,499,352</b>
<b>III Non-current liabilities</b>			
Unsecured Loans	5	88,088,000	54,648,000
Secured Loans	6	29,510,652	29,132,040
	(B)	<b>117,598,652</b>	<b>83,780,040</b>
<b>IV Current liabilities</b>			
Trade payables	7	44,468,856	52,777,149
Other current liabilities	8	12,725,985	9,842,155
Short-term provisions	9	887,285	4,552,795
	(C)	<b>58,082,126</b>	<b>67,172,099</b>
<b>TOTAL</b>	<b>(A)+(B)+(C)</b>	<b>179,083,933</b>	<b>161,451,491</b>
<b>B ASSETS</b>			
<b>I Non-current assets</b>			
Property, Plant & Equipement	10	4,985,544	6,258,033
Tangible assets		-	-
Intangible assets		-	-
Long-term loans and advances	11	6,069,601	6,158,046
	(A)	<b>11,055,145</b>	<b>12,416,079</b>
<b>II Current assets</b>			
Trade receivables	12	88,021,696	24,951,171
Stock in Trade		60,562,521	95,500,000
Cash and cash equivalents	13	12,332,459	19,529,186
Short-term loans and advances	14	6,782,244	5,135,101
Other current assets	15	-	3,714,841
Deferred Tax Asset	16	329,868	205,113
	(B)	<b>168,028,788</b>	<b>149,035,412</b>
<b>TOTAL</b>	<b>(A)+(B)</b>	<b>179,083,933</b>	<b>161,451,491</b>

Significant accounting policies 1

Notes to the financial statements 2

The notes referred to above from an integral part of the financial statements  
As per our report of even date attached

For Sushant L Yardi & Co.

Chartered Accountants

Firm Registration Number :125900W

CA Sushant L Yardi  
Proprietor

Membership No. 118477

UDIN - 21118477A AAAFT5304

Place: Pune

Date :-29-11-2021



For and on behalf of the Board of Directors

*Subhash Charhate*  
Subhash Charhate  
Director

DIN -00078939

Place: Pune

Date :- 29-11-21

*J. Charhate*  
Jayashree Charhate  
Director

DIN-06514521

Place: Pune

Date :- 29-11-2021

*Sumedh Charhate*  
Sumedh Charhate  
Director

DIN--07724359

Place: Pune

Date :- 29-11-2021



**SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.**

CIN- U74999PN2014PTC152923

**Statement of Profit and Loss  
for the year ended 31 March 2021**

(Currency - Indian Rupees)

	Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of current reporting period
			From 01/04/2020 To 31/03/2021	From 01/04/2019 To 31/03/2020
I	<b>REVENUE</b>			
II	Revenue from operations	17	221,999,078	220,047,334
III	Other Income	18	674,692	882,952
	<b>Total revenue</b>		<b>222,673,770</b>	<b>220,930,286</b>
IV	<b>EXPENSES</b>			
	Purchases	19	100,258,954	193,498,736
	Changes in Inventory	20	34,937,479	(91,225,000)
	Employee benefit expenses	21	18,126,804	23,283,107
	Finance Cost	22	7,320,580	6,195,142
	Other expenses	23	68,512,995	80,850,087
	Depreciation and amortization expense	9	1,637,910	1,743,462
	<b>Total expenses</b>		<b>230,794,722</b>	<b>214,345,534</b>
V	<b>Profit before exceptional items and tax</b>		<b>(8,120,952)</b>	<b>6,584,752</b>
VI	Exceptional and other items		-	-
VII	<b>Profit before tax</b>		<b>(8,120,952)</b>	<b>6,584,752</b>
VIII	<b>Tax expense</b>			
	Current tax		-	2,384,661
	MAT Credit		-	-
	Deferred tax charge/(credit)		(124,755)	(154,939)
IX	<b>Profit for the year</b>		<b>(7,996,197)</b>	<b>4,355,030</b>
X	<b>Basic earnings per equity share of face value of Rs. 10 each (in Rs)</b>		<b>(799.62)</b>	<b>435.50</b>
	Significant accounting policies	1		
	Notes to the financial statements	2		

The notes referred to above from an integral part of the financial statements  
As per our report of even date attached

For Sushant L Yardi & Co.  
Chartered Accountants  
Firm Registration Number :125900W

For and on behalf of the Board of Directors



CA Sushant L Yardi  
Proprietor  
Membership No. 118477



UDIN - 21118477AAAFT5304

Place: Pune  
Date :-29-11-2021

Subhash Charhate  
Director  
DIN -00078939

Place: Pune  
Date :- 29-11-21

Jayashree Charhate  
Director  
DIN-06514521

Place: Pune  
Date :- 29-11-2021

Sumedh Charhate  
Director  
DIN--07724359

Place: Pune  
Date :- 29-11-2021

Cash Flow Statement for the year ended 31 March, 2021

	Particulars	Figures as at the end of current reporting period		Figures as at the end of current reporting period	
		From 01/04/2020 31/03/2021	To	From 01/04/2019 31/03/2020	To
<b>A</b>	<b>Cash flow from operating activities</b>				
	Net Profit / (Loss) before extraordinary items and tax		(7,996,197)		4,355,030
	Adjustments for:				
	Loss on Theft Asset		-		-
	Asset W. off as per new depreciation working		-		-
	Depreciation and amortisation		1,637,910		1,743,462
	Operating profit / (loss) before working capital changes		(6,358,287)		6,098,492
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories		34,937,479		(91,225,000)
	Trade receivables		(63,070,525)		8,214,056
	Loang term-term loans and advances		88,445		(2,803,919)
	Short-term loans and advances		(1,647,143)		(3,073,381)
	Other current assets		3,590,086		(3,848,861)
	Other non-current assets		-		-
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables		(8,308,293)		29,559,155
	Other current liabilities		2,883,830		6,014,562
	Short-term provisions		(3,665,510)		1,169,553
	Long-term provisions		-		-
			(35,191,631)		(55,993,835)
	Cash flow from extraordinary items				
	Cash generated from operations		(41,549,918)		(49,895,343)
	Net income tax (paid) / refunds		-		2,384,661
	<b>Net cash flow from / (used in) operating activities (A)</b>		(41,549,918)		(47,510,682)
<b>B</b>	<b>Cash flow from investing activities</b>				
	Capital expenditure on fixed assets-Net		(365,423)		(3,249,969)
	<b>Net cash flow from / (used in) investing activities (B)</b>		(365,423)		(3,249,969)
<b>C</b>	<b>Cash flow from financing activities</b>				
	Proceeds from long-term borrowings		33,440,000		31,023,000
	Proceeds from other short-term borrowings		378,614		26,496,344
	Proceeds from issue of equity shares		900,000		-
	<b>Net cash flow from / (used in) financing activities (C)</b>		34,718,614		57,519,344
	<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		(7,196,727)		6,758,693
	Cash and cash equivalents at the beginning of the year		19,529,186		12,770,493
	<b>Cash and cash equivalents at the end of the year</b>		12,332,459		19,529,186
<b>Notes:</b>					
1. The above Cash Flow Statements has been prepared under the " Indirect Method" set out in Accountning Standard 3 on Cash Flow statements.					
2. Prior year comparitives have been reclassified to conform with current year's presentation, where applicable.					
<b>D</b>	<b>Cash and cash equivalents at the end of the year:</b>				
	(a) Cash on hand		7,979		5,937
	(b) Balances with banks - In current accounts		2,088,961		9,755,071
	(c) Deposits		10,235,519		9,768,178
			12,332,459		19,529,186

This is the Cash Flow Statement referred to in our report of even date.  
In terms of our report attached.

For Sushant L Yardi & Co.  
Chartered Accountants  
Firm Registration Number :125900W

CA Sushant L Yardi  
Proprietor  
Membership No. 118477  
UDIN - 21118477AAAAFTS304  
Place: Pune  
Date :-29-11-2021



For and on behalf of the Board of Directors

Subhash Charhate  
Director  
DIN -00078939

Place: Pune  
Date :- 29-11-21

Jayashree Charhate  
Director  
DIN-06514521

Place: Pune  
Date :- 29-11-2021

Sumedh Charhate  
Director  
DIN--07724359

Place: Pune  
Date :- 29-11-2021



# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Notes forming part of the financial statements (continued)  
for the year ended 31 March 2021

(Currency - Indian Rupees)

31-Mar-2021 31-Mar-2020

## 3. Share capital

### Authorized

10000 (2020: 100,000) equity shares of Rs. 10 each

1,000,000	100,000
<b>1,000,000</b>	<b>100,000</b>

### Issued, subscribed and paid up

10000 (2020: 100,000) equity shares of Rs. 10 each fully paid-up

1,000,000	100,000
<b>1,000,000</b>	<b>100,000</b>

## 3.1 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having face value of Rs.10/- each. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

## 3.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below:

Equity shares	31-Mar-2021		31-Mar-2020	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Add: Shares issued and paid up during the year	90,000	900,000	-	-
Shares outstanding at the end of the year	100,000	1,000,000	10,000	100,000

## 3.3 Details of shareholder holding more than 5% shares is set out below:

Name of shareholder	31-Mar-2021		31-Mar-2020	
	No. of shares	Rs.	No. of shares	% held
Mr Subhash Charhate	50,000	50%	5,000	50%
Mrs Jayshree Subhash Charhate	50,000	50%	5,000	50%

## 4. Reserves and surplus

31-Mar-2021 31-Mar-2020

### a. Surplus in the Statement of Profit and Loss

Balance as per last Balance Sheet

10,399,352.00 6,044,322

Net profit after tax transferred from Statement of Profit and Loss

(7,996,197) 4,355,030

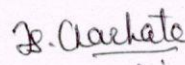
Net surplus in the Statement of Profit and Loss

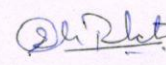
**2,403,155 10,399,352**

For and on behalf of the Board of Directors



  
Director

  
Director

  
Director

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Notes forming part of the financial statements (continued)

for the year ended 31 March 2021

(Currency - Indian Rupees)

	31-Mar-2021	31-Mar-2020
<b>5. Unsecured Loan from Directos and relatives of Directors</b>		
Mr. Subhash Charhate	29,290,000	32,500,000
Sai Engineers	36,140,000	12,340,000
Mrs. Jayshree Charhate	22,458,000	9,808,000
Mr.Sumedh Charhate	200,000	-
<b>Total</b>	<b>88,088,000</b>	<b>54,648,000</b>

## 6. Secured Loan Cash Credit

Bank of Maharashtra on CC	24,161,552	9,937,274
Daimler Financial Services	1,751	1,168,338
Bank of Maharashtra Loan	5,347,349	18,026,428
<b>Total</b>	<b>29,510,652</b>	<b>29,132,040</b>

(Loan from Bank of Maharashtra is secured against collateral of two properties S No 41 H No 3/1/1/2 & 3/1/1/25 in vadgaonsheri Pune owned by Jayashree Charhate, A plot No 39 & plot No 48 owned by Jayashree Charhate in Vadgaonsheri Pune, Fixed Deposit of Rs. 16 Lakhs, Property No 43/6B Plot No 9 owned by Subhash Charhate & Industrial Shed at Sanaswadi Pune as per sanction letters issued by Bank of Maharashtra)

## 7. Trade payables

Trade payables		
- Dues to micro and small enterprises*		-
- Others	44,468,856	52,777,149
(Trade Payables are subject to the confirmations)		
<b>Total</b>	<b>44,468,856</b>	<b>52,777,149</b>

\*According to the information available with the Company, there are no dues to micro and small enterprises covered under 'The Micro, Small and Medium Enterprises Development Act, 2006' (the 'MSMED Act') as on 31 March 2021 (2020 : Nil)

## 8. Other current liabilities

Salary Payable	4,255,622	6,770,366
Incentive Payable	114,438	163,992
Statutory dues	7,210,008	1,082,724
Bonus Payable	1,145,917	1,825,073
<b>Total</b>	<b>12,725,985</b>	<b>9,842,155</b>

## 9. Short term provisions

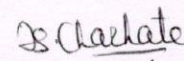
Audit Fees Payable	30,525	30,000
Remuneration Payable	384,544	2,083,099
Expenses Payable	472,216	55,035
Income Tax Provision	-	2,384,661
<b>Total</b>	<b>887,285</b>	<b>4,552,795</b>

For and on behalf of the Board of Directors





Director



Director



Director

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Notes forming part of the financial statements (continued)  
for the year ended 31 March 2021

as at 31 March 2021

## 10. Property, Plant & Equipment

Particulars	Tangible Assets					Total
	Plant & Machinery	Computer	Office Equipment	Furniture	Car	
<b>Gross block</b>						
Balance as at 1 April 2019	1,402,413	420,253	63,665	771,775	3,199,781	5,857,887
Additions during the year	2,301,536	172,344	326,905	449,184	-	3,249,969
Deletions during the year	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>3,703,949</b>	<b>592,597</b>	<b>390,570</b>	<b>1,220,959</b>	<b>3,199,781</b>	<b>9,107,856</b>
Balance as at 1 April 2020	3,703,949	592,597	390,570	1,220,959	3,199,781	9,107,856
Additions during the year	-	320,118	45,305	-	-	365,423
Deletions during the year	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>3,703,949</b>	<b>912,715</b>	<b>435,875</b>	<b>1,220,959</b>	<b>3,199,781</b>	<b>9,473,279</b>
<b>Accumulated Depreciation</b>						
Balance as at 1 April 2019	188,279	328,930	30,071	427,667	131,414	1,106,361
Depreciation for the year	479,215	122,655	63,894	119,447	958,251	1,743,462
Depreciation on deletions	-	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>667,494</b>	<b>451,585</b>	<b>93,965</b>	<b>547,114</b>	<b>1,089,665</b>	<b>2,849,823</b>
Balance as at 1 April 2020	667,494	451,585	93,965	547,114	1,089,665	2,849,823
Depreciation for the year	559,997	133,271	108,919	174,436	658,989	1,635,612
Depreciation on deletions	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,227,491</b>	<b>584,856</b>	<b>202,884</b>	<b>721,550</b>	<b>1,748,654</b>	<b>4,485,435</b>
<b>Net block</b>						
As at 31st March 2020	3,036,455	141,012	296,605	673,845	2,110,116	6,258,033
As at 31st March 2021	2,476,458	327,859	232,991	499,409	1,451,127	4,987,844



For and on behalf of the Board of Directors

*[Signature]*

Director

Director

Director



# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Notes forming part of the financial statements (continued)  
for the year ended 31 March 2021

(Currency - Indian Rupees)

31-Mar-2021

31-Mar-2020

## 17. Revenue From Operations

Sale of products	172,361,912	201,274,800
Service Income	49,637,166	18,772,534
Total	<u>221,999,078</u>	<u>220,047,334</u>

## 18. Other Income

Interest on Fixed Deposits	524,594	633,998
Interest Received on It Refund	100,976	64,307
Sundry Credit W/off	36,405	152,139
Foreign Exchange Gain	12,717	-
Discount Received	-	32,508
Total	<u>674,692</u>	<u>882,952</u>

## 19. Cost of Material Consumed

Purchases During the Year	100,258,954	193,498,736
Total	<u>100,258,954</u>	<u>193,498,736</u>

## 20. Changes in Inventory

Opening Stock of Raw Materials and Bought Out	95,500,000	4,275,000
Less:		
Work in Progress	60,562,521	95,500,000
Closing Stock of Raw Materials and Bought Outs		-
Total	<u>34,937,479</u>	<u>(91,225,000)</u>

## 21. Employee benefit expenses

Salaries and bonus	11,511,376	13,118,753
Staff Welfare	2,242,242	3,297,099
Contribution to provident fund	2,317,133	3,499,436
Contribution to ESIC	306,053	487,819
Director's Remuneration	1,750,000	2,880,000
Total	<u>18,126,804</u>	<u>23,283,107</u>

## 22. Finance Cost

Bank charges	1,010,871	740,934
Bank Commission	3,518,227	4,117,352
Bank Interest on CC	2,721,483	1,130,097
Interest on Car Loan	69,999	206,759
Total	<u>7,320,580</u>	<u>6,195,142</u>



For and on behalf of the Board of Directors

Director

Director

Director

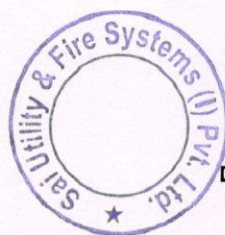


# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

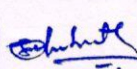
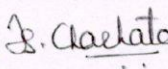
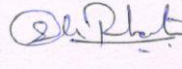
Notes forming part of the financial statements (continued)  
for the year ended 31 March 2021

(Currency - Indian Rupees)

	31-Mar-2021	31-Mar-2020
<b>23. Other Expenses</b>		
Crane Charges	11,049,329	14,833,085
Labour Charges	18,596,954	7,490,728
Transportation charges	1,208,408	1,398,625
Wages	20,714,448	33,968,296
Import Clearance	-	325,039
Mobile Expenses	204,679	131,562
Rent	2,737,189	4,292,372
Rent on Machines	732,455	
Internet charges	69,311	68,515
Ambulance Expenses	-	48,000
Audit fees	33,000	30,000
Business Promotion Expenses	-	50,000
Computer Maintance	220,999	192,493
Courier Expenses	114,014	48,642
Design Charges	258,667	-
Discount	744	-
Entertainment Expenses	39,188	26,284
Insurance Expenses	935,273	510,695
Interest on Late Payment of Taxes	61,764	17,480
ISO Fees	19,600	-
Labour License	45,023	-
Legal Charges	43,280	142,487
Office Expenses	92,602	64,212
Petrol & Diesel Exp. For Site	1,837,463	3,675,854
Preoperative Expenses	-	16,599
Penalty by customer	14,360	-
Printing & Stationery	1,108,330	939,406
Prior Period Income Tax Impact for FY 18-19	5,236	-
Professional Fess	4,820,835	9,391,240
Profession Tax	-	2,500
Repairs & Maintance	456,509	369,984
Roc Exp	33,600	-
Repairs & Maintance - Vehicle	243,933	222,026
Sundry Debits W/off	497,841	67,206
Travelling Expenses	1,195,698	1,749,035
Tender Exp	20,000	-
Medical Exp	16,000	-
Misc Expenses	5	-
MLW Fund	21,423	-
Commission	-	42,250
Electricity Charges	88,100	245,193
Fire License Fees	-	25,000
Testing fees	668,575	-
Duties & Taxes	308,160	465,279
<b>Total</b>	<b>68,512,995</b>	<b>80,850,087</b>



For and on behalf of the Board of Directors

Director

Director

Director

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

For the year ended 31 March 2021

### Background of the Company –

The Company SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD was incorporated in Pune, India on 28th February 2014 under the Indian Companies Act, 2013 as a private limited company.

### 1. Summary of significant accounting policies

#### 1.1 Basis of preparation, presentation and disclosure of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Indian Companies Act 1956, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest thousand.

The Company is a Small and Medium Sized Company ('SMC') as defined in the General Instructions in respect of Accounting Standards notified under the Act. Accordingly, the Company has complied the Accounting Standards as applicable to SMC. Further, the Company by virtue of being a SMC, is required to comply with the recognition and measurement principles prescribed by all accounting standards, but is given a relaxation in respect of certain disclosure related standards and certain disclosure requirements prescribed by other accounting standards.

#### 1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amount of revenue and expenditure during the reporting period. Actual results could differ from these estimates and such differences are recognized in the period in which such results are known / materialized. Any revision to accounting estimates is recognized prospectively in the current and future periods.

#### 1.3 Current & Non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle,
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle liability for at least 12 months after the reporting date.

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

for the period ended 31 March 2021

Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be settled within 12 months after the reporting date; or
- d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

### Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is less than 12 months.

## 1.4 Revenue recognition

Company follows the Accounting standard 9 "Revenue Recognition" issued by ICAI and accordingly, the revenue is recognized at the events as per the purchases order issued by the customers.

## 1.5 Fixed assets and depreciation

### Tangible fixed assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes the purchase price and other attributable costs of bringing the assets to its working condition for its intended use.

Assets costing individually Rs. 5,000 or less shall be depreciated fully in the year of purchase.

The Company provides depreciation using the Written Down Value method (WDV) based on the useful life of the assets as prescribed in schedule II of Companies Act 2013.

### Intangible assets and amortization

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be reliably measured.

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

for the period ended 31 March 2021

### 1.6 Impairment of assets

In accordance with Accounting Standard 28 – Impairment of Assets (AS 28), the carrying amounts of the Company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets' recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### 1.7 Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Profit and Loss Statement of the year.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date.

### 1.8 Employee benefits

#### a) Long term employee benefits

Long term employee benefits comprise of compensated absences and gratuity payments. The same are not applicable to the company.

#### b) Post employment benefits (defined contribution plans)

Contributions to provident fund, which is a defined contribution scheme, is recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due.

#### c) Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

for the period ended 31 March 2021

### 1.9 Taxes on income

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent that there is a reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

### 1.10 Earnings per share ('EPS')

The basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

### 1.11 Provisions and contingencies

A provision is recognized in the Balance Sheet when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A disclosure by way of a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of economic resources. When there is a possible obligation in respect of which the likelihood of outflow of economic resources is remote, no provision or disclosure is made.

## 2 Notes to Accounts

### 2.1 Auditors' remuneration

Particulars	31 March 2021	31 March 2020
	Amount in INR	Amount in INR
Statutory audit services (excluding service tax)	33,000	30,000

### 2.2 Foreign currency exposures

- a) Hedged foreign currency exposures at the year-end: Nil
- b) Unhedged foreign currency exposures at the year-end : Nil

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

for the period ended 31 March 2021

### 2.3 Related party transactions

#### a) Parties where control exists

Mrs. Jaysahree Charhate (Director)

Mr. Subhash Charhate (Director)

Mr. Sumedh S Charhate (Director)

Sai Engineers (Proprietary of Mrs Jayashree Charhate)

MDS Coatings (I) Pvt Ltd (Mr Subhash Charhate is Interested Director)

Electrocoat Equipment (I) Pvt Ltd (Mr Subhash Charhate is Interested Director)

#### b) Transactions with related parties are set out as below

Name of related party	Relation	Transaction	Amounts For F.Y. 20-21	Amounts For F.Y. 19-20
Mr Subhash Charhate	Director	Remuneration	Nil	10,80,000/-
		Loan Taken by Company	2,43,20,000/-	3,79,00,000/-
		Loan Repaid by Company	2,75,30,000/-	54,00,000/-
		Reimbursement of expenses	18,40,000/-	19,00,077/-
Mrs Jayashree Charhate	Director	Remuneration	5,50,000/-	6,00,000/-
		Loan Taken by Company	6,75,00,000/-	8,13,40,000/-
		Loan Repaid by Company	3,10,50,000/-	8,28,17,000/-
Mr Sumedh Charhate	Director	Remuneration	12,00,000/-	12,00,000/-
		Loan Taken by Company	2,00,000/-	Nil
Sai Engineers	Proprietary of Director	Labour & Material Provided by Sai Engineers	Nil	Nil
		Reimbursement of Taxes & Expenses	16,47,065/-	25,53,058/-
Electrocoat Equipment (I) Pvt	Mr Subhash Charhate is	Purchases to company	Nil	Nil

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

## Schedules to the financial statements

for the period ended 31 March 2021

Ltd	Director	Sales by Company to EEIPL	Nil	Nil
MDS Coatings (I) Pvt Ltd	Mr Subhash Charhate is Director	Sales by Company to MDS Costings (I) Pvt Ltd	Nil	14,16,000/-

### Key Management personnel

**Director** - Subhash Charhate, Jayshree Charhate & Sumedh Charhate

### Closing Balances as on 31<sup>st</sup> March 2021 –

- 1) Loan From Jayashree Charhate – 2,24,58,000/-
- 2) Loan From Subhash Charhate – 2,92,90,000/-
- 3) Loan From Sai Engineers – 3,61,40,000/-

## 2.4 Disclosure as per Accounting Standard 15 (Revised 2005) 'Employee Benefits'

### Defined benefit plan (Gratuity)

The company has not made any contribution for gratuity fund or made any provision for the same.

### Define Contribution Plan (Provident Fund)

The company got themselves register under Provident Fund Act and it has made the contribution for the same. The company has also deducted, and paid employees share towards provident fund.

### Compensated Absence (Leave Encashment)

The company no provision in relation to encashment of compensated absences has been created.

# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Schedules to the financial statements  
for the period ended 31 March 2021

## 2.5 Earnings per share

Particulars	31 March 2021	31 March 2020
Net profit after tax attributable for equity shareholders (amount in INR) (A)	(79,96,197)	43,55,030
Weighted average number of equity shares outstanding during the year/ period of Rs. 10 each (B)	10,000	10,000
Basic earnings per equity share (Rs) (A/B)	(799.62)	435.50

## 2.6 Segment Reporting

The company is dealing in only one segment and hence it is not applicable.

## 2.7 Disclosure under Micro Small and Medium Enterprises Development Act 2006.

As per the information available with the Company, no supplier has intimated the company about its status as micro or small enterprises or its registration under Micro small and Medium Enterprises Development Act 2006.

## 2.8 Intangible Asset Accounting.

The Companies (Accounting Standards) Rules 2006 had made Accounting Standard 26 mandatory to all other enterprises. However, the company had not recognized any intangible assets and as such the accounting standard is not applicable to the company.

## 2.9 Impairment of Assets

The amount of impairment of assets during the current accounting year is NIL.

## 2.10 Deferred Tax Accounting.

The company has recognized deferred tax. The details of the same are.

Particulars	31 March 2021	31 March 2020
Opening Difference	2,05,113	54,064
Depreciation Differences Between tax and accounting Income	(3,29,868)	(80,7240)
Deferred Tax Asset/ (Liability)	(1,24,755)	1,54,939



# SAI UTILITY & FIRE SYSTEMS (I) PVT.LTD.

Schedules to the financial statements  
for the period ended 31 March 2021

## 2.11 'Provisions, Contingent Liabilities and Contingent Assets'

The company has not recognized any contingent liability or assets.

## 2.12 Prior year comparatives

Last year comparative figures have been regrouped wherever necessary.

For Sushant L Yardi & Co.  
Chartered Accountants  
FRN : 125900W



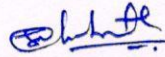
CA SUSHANT L YARDI  
Proprietor

Membership No. 118477  
Place: Pune  
Date: 29-11-2021

VDIN-21118477AAAAFT5304

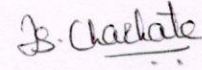


For and on behalf of the Board of Directors



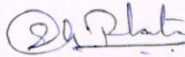
SUBHASH CHARHATE  
Director

DIN - 00078939  
Place: Pune  
Date: 29-11-2021



JAYSHREE CHARHATE  
Director

DIN - 06514521  
Place: Pune.  
Date: 29-11-2021



SUMEDH CHARHATE  
Director

DIN - 07724359  
Place: Pune.  
Date: 29-11-2021

