

AUDITED FINANCIAL STATEMENTS

SHIL TECHNOLOGIES PRIVATE LIMITED

613, YASH KAMAL BUILDING,
SAYAJIGUNJ, VADODARA-39005,

F.Y. 2020-2021

AUDITORS

Parikh Shah Chotalia & Associates

CHARTERED ACCOUNTANTS,
803-804 Gunjan Towers, Nr. Inorbit
Mall, Shubhanpura Vadodara
390023

INDEPENDENT AUDITORS' REPORT

To,
THE MEMBERS,
SHIL TECHNOLOGIES PRIVATE LIMITED
VADODARA

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Shil Technologies Private Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2021**, the statement of Profit and Loss and Cash Flow Statement ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Qualified Opinion

The Company's policies for Accounting of Employee Benefits do not comply with AS-15 (Revised)-Employee Benefits. The impact of non-compliance of the Company with Accounting Standard 15 cannot be ascertained as no actuarial valuation of the Company's defined benefit obligations has been carried out.

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



Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet dealt with by this Report is in agreement with the books of account.
 - d. In our opinion, the Balance Sheet comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f. On the basis of the management's in depth involvement in the day to day affairs of the business transactions of the Company and looking to the size and volume of operations and based on the information and explanations provided to us on the functioning of the affairs of business, we are of the opinion that the existing controls hardly suffer from significant material weaknesses and the existence of checks and controls act as deterrent to material misstatements, frauds and massive errors and adequate internal financial controls system operate over financial reporting system which serves the purpose laid down in Sec.143 of the Companies Act, 2013.
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position
 - The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Parikh Shah Chotalia & Associates
Chartered Accountants

FRN: 118493W


CA D. P. Shah
Partner
Membership No: 030454



Place: Vadodara
Date: 3rd September 2021
UDIN: 21030454AAAAEU2454

ANNEXURE – “A” TO INDEPENDENT AUDITORS’ REPORT

(Referred to in Paragraph 2 under “Report on Other Legal and Regulatory Requirements of the Independent Auditors’ Report to the Members of Shil Technologies Private Limited of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. In respect of the Company's fixed assets:
 - (a) The Company has generally maintained records showing particulars, including quantitative details and situation, of fixed assets. The company is in the process of updating the records of Fixed Assets.
 - (b) According to the information and explanations given to us, fixed assets of the Company have not been physically verified by the management during the year. Discrepancies if any, have not been ascertained as the records of Fixed Assets are yet to be updated.
 - (c) According to information and explanation given to us, the records examined by us and based on the examination of the records provided to us, we report that, the title deeds, comprising all the immovable properties of building are held in the name of the Company as at the Balance Sheet date.
- ii. As informed to us, the physical verification of inventory has been conducted at the year-end by the Management during the year and no material discrepancies have been noticed during such verification. The physical verification of Inventory needs to be undertaken at reasonable interval.
- iii. According to information and explanations given to us, the Company has not granted any secured or unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. Consequently, no comments are necessary on para (iii) (a), (b) & (c) of Companies Auditor's Report Order, 2016.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loan or guarantee or security. Also, the Company has not made any investment during the year. Accordingly, the provisions of Clause 3(iv) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.



- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost record pursuant to the order of the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the Company.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and according to the records of the Company, undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2021 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us, there were no dues of Goods and Service Tax, Income Tax, Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Wealth Tax, Custom Duty, Excise Duty and Cess and other statutory dues, which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues in respect of working capital facilities and loan taken from Banks and Financial Institutions.
- ix. In our opinion and according to the information and explanations given to us, the Company has borrowed money by way of Term Loan. The Company has not raised any money by way of public offer or further public offer (including debt instruments). The Term Loan was applied for the purpose for which those are raised during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. The Company being a Private Company, provisions of Section 197 read with Schedule V to the Companies Act, 2013 relating to Managerial Remuneration are not applicable to it. Hence, provisions of Clause 3(xi) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.



- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. According to information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause (xiv) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.
- xv. In our opinion and according to information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Companies Auditor's Report Order, 2016 are not applicable to the Company.

For Parikh Shah Chotalia & Associates
Chartered Accountants

FRN: 118493W


CA Dharendra P. Shah

(Partner)

Membership No: 30454

Place: Vadodara

Date: 3rd September, 2021

UDIN: 21030454AAAAEU2454



BALANCE SHEET

PARTICULARS	Note No.	As At MARCH 31, 2021	As At MARCH 31, 2020
I. EQUITY AND LIABILITIES			
1. Shareholder's funds			
(a) Share Capital	2	227,000	227,000
(b) Reserves and Surplus	3	65,312,825	64,387,220
(c) Money received against share warrants		-	-
		65,539,825	64,614,220
2. Share application money pending allotment (To the extent not refundable)			
		-	-
3. Non-current liabilities			
(a) Long-term borrowings	4	7,488,257	6,984,344
(b) Deferred Tax liabilities (Net)		39,726	12,412
(c) Other Long term liabilities		-	-
(d) Long-term Provisions		-	-
		7,527,983	6,996,756
4. Current Liabilities			
(a) Short term borrowings	5	30,252,438	19,257,162
(b) Trade payables	6	25,629,034	26,051,575
(c) Other current liabilities	7	9,421,562	8,180,567
(d) Short term provisions	8	516,600	610,083
		65,819,634	54,099,387
TOTAL		138,887,442	125,710,362
II ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipments	9		
(i) Tangible assets		5,783,168	6,284,541
(ii) Intangible Assets		-	-
(iii) Capital work-in-progress		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	1,110,908	1,237,908
(e) Other non-current assets		-	-
		6,894,076	7,522,449
2. Current assets			
(a) Current investments		929,950	677,500
(b) Inventories	11	71,475,501	68,631,433
(c) Trade receivables	12	46,517,690	39,197,287
(d) Cash and Bank Balances	13	1,153,436	1,214,396
(e) Short-term loans and advances	14	11,916,789	8,467,297
(f) Other current assets		-	-
		131,993,366	118,187,913
TOTAL		138,887,442	125,710,362
Significant accounting policies Notes on Accounts	1 2 to 35		

As per our report of even date
Parikh Shah Chotalia & Associates
Chartered Accountants

CA. Dharendra P Shah
Partner

Mem. No. 030454

Firm Reg. No: 118493W

Place: Vadodara

Date: 3rd September, 2021

UDIN: 21030454 AAAAEU 2454



For and on behalf of the Board of Directors

Atul R Shah
Director

Shilpa A Shah
Director

Place: Vadodara

Date: 3rd September, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 2021

PARTICULARS	Note No.	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
I. Revenue from operations:	15		
Sale of Goods and Services		96,585,027	109,370,444
Other Operating Revenues		1,251,692	2,565,445
Net Revenue from Operations		97,836,719	111,935,889
II. Other Income	16	125,980	742,314
III. Total Revenue (I + II)		97,962,699	112,678,203
IV. Expenses			
Cost of Materials Consumed		-	-
Purchases of Traded Goods including related expenses		82,522,045	114,416,715
Changes in inventories of Traded Goods	17	(2,844,068)	(19,531,892)
Employees' Benefits expenses	18	6,074,136	6,549,851
Finance Cost	19	6,205,967	3,676,761
Depreciation and amortization expenses	9	735,773	763,461
Other expenses	20	4,139,926	6,117,560
Total Expenses		96,833,779	111,992,456
V. Profit Before Exceptional and extraordinary items, Depreciation and tax (III-IV)		1,128,920	685,747
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary items and tax (V-VI)		1,128,920	685,747
VIII. Extraordinary items		-	-
IX. Profit Before Tax (VII-VIII)		1,128,920	685,747
X. Tax expense:			
(1) Current tax		176,000	107,000
(2) Deferred tax		27,314	54,972
XI. Profit for the period from continuing operations (IX - X)		925,606	523,775
XII. Profit for the period from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		925,606	523,775
XVI. Earnings per Equity Share:			
(1) Basic and Diluted		40.78	23.07
Significant accounting policies	1		
Notes on Accounts	2 to 35		

As per our report of even date

Parikh Shah Chotalia & Associates
Chartered AccountantsCA. Dharendra P Shah
Partner

Mem. No. 030454

Firm Reg. No: 118493W

Place: Vadodara

Date: 3rd September, 2021

UDIN: 21030454AAAAE02454



For and on behalf of the Board of Directors

Atul R Shah
DirectorS. A. Shah
Shilpa A Shah
Director

Place: Vadodara

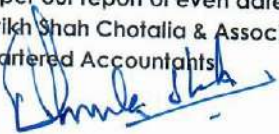
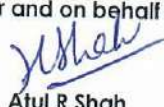


Date: 3rd September, 2021

SHIL TECHNOLOGIES PRIVATE LIMITED

ANNUAL REPORT 2020-2021

CASH FLOW STATEMENT FOR THE YEAR 2021

Amount in Rs.

PARTICULARS	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1,128,920	685,747
Adjusted for:		
Depreciation	735,773	763,461
Profit on sale of Assets	-	(163,500)
Interest Paid	-	3,676,761
Interest Income	-	-
Foreign Exchange Fluctuation Gain	(125,980)	(114,759)
Operating Profit before Working Capital Changes	1,738,713	4,847,710
Adjusted for:		
Trade and Other Current Assets	(7,320,403)	(3,799,614)
Inventories	(2,844,068)	(19,531,892)
Trade and Other Current Liabilities	724,971	7,103,213
Loans and Advances	(3,449,492)	11,469,596
Long Term loans and Advances	127,000	-
Cash generated from Operations	(12,761,992)	(4,758,697)
Taxes Paid	(176,000)	(125,000)
Net Cash Flow from Operating Activities	(11,199,280)	(35,987)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(234,400)	(2,180,627)
Sale of Property, Plant and Equipment and Intangible Assets	-	190,000
Foreign Exchange Fluctuation Gain	125,980	-
Purchase of Investment	(252,450)	(677,500)
Net Cash Flow using Investing Activities	(360,870)	(2,668,127)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Bank Borrowings	11,499,189	7,054,079
Interest Paid	-	(3,676,761)
Net Cash Flow in Financing Activities	11,499,189	3,377,318
Net Increase/(Decrease) in Cash and Cash Equivalents	(60,961)	673,204
Opening Cash Balance of Cash and Cash Equivalents	1,214,396	541,193
Closing Cash Balance of Cash and Cash Equivalents * (refer Note 13)	1,153,435	1,214,397
As per our report of even date		
Parikh Shah Chotalia & Associates Chartered Accountants	For and on behalf of the Board of Directors	
		
CA. Dharendra P Shah Partner Mem. No. 030454 Firm Reg. No: 118493W Place: Vadodara Date: 3 rd September, 2021	Atul R Shah Director	Shilpa A Shah Director
	Place: Vadodara	
UDIN : 21030454AAAAEU2454	Date: 3rd September, 2021	

34. Expenditure in Foreign Currency:

Particulars	2020-21 (₹)	2019-20 (₹)
Travelling	NIL	NIL
Raw Material	NIL	NIL
Repairs to Machinery	NIL	NIL
Stores & Spares	NIL	NIL
Capital Purchases	NIL	NIL
Packing Material	NIL	NIL
Total Rs.	NIL	NIL

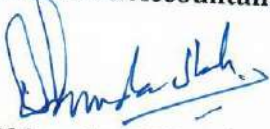
35. Previous Year's Figures:

Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the Current Year's classification/ disclosure.

As per our attached Report of even date

For and on behalf of the Board of Directors

For Parikh Shah Chotalia & Associates
Chartered Accountants



Dharendra P Shah
(Partner)

Membership No. : 030454

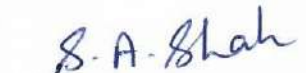
F.R.N. : 118493W

Place : Vadodara

Date : 3rd September, 2021



Atul R Shah
Director



Shilpa A Shah
Director

Place : Vadodara

Date : 3rd September, 2021

NOTES TO FINANCIAL STATEMENTS

Particulars	AS AT March 31, 2021 Rupees	AS AT March 31, 2020 Rupees
NOTE - 2		
SHARE CAPITAL		
Authorised		
1,00,000 Equity Shares of Rs. 10/- each	1,000,000	1,000,000
Issued, Subscribed and Paid up		
22,700 Equity Shares of Rs. 10/- each fully paid-up. (Previous Year 22700 Equity Shares)	227,000	227,000
TOTAL	227,000	227,000

A) TERMS AND RIGHTS ATTACHED TO EQUITY SHARES

- i) Each holder of equity share is entitled to one vote per share.
ii) In the event of liquidation, the holders of the equity shares will be entitled to receive remaining assets of the

B) Reconciliation of Equity Shares

Particulars	Numbers	
Equity Shares at the beginning of the Year	22,700 Nos	22,700 Nos
Add: Rights Shares Issued	-	-
Equity Shares at the end of the Year	22,700 Nos	22,700 Nos

In Value	Amount in Rupees	Amount in Rupees
Equity Share Capital at the beginning of the Year	227,000	227,000
Add: Rights Shares Issued	-	-
Equity Share Capital at the end of the Year	227,000	227,000

C) List of Shareholders holding 5% or more Shares (In Nos)

Particulars		
Mr. Atul R Shah		
No of Shares Held	1135 Nos	1135 Nos
% of Total Holding	5.00%	5.00%
Mrs. Shilpa A Shah		
No of Shares Held	1135 Nos	1135 Nos
% of Total Holding	5.00%	5.00%
Miss Riddhi A Shah		
No of Shares Held	10215 Nos	10215 Nos
% of Total Holding	45.00%	45.00%
Miss Rutvi A Shah		
No of Shares Held	10215 Nos	10215 Nos
% to Total Holding	45.00%	45.00%

NOTE - 3
RESERVES AND SURPLUS**PROFIT AND LOSS ACCOUNT**

Opening Balance	64,387,220	63,863,445
Profit for the Year	925,606	523,775
TOTAL	65,312,825	64,387,220



NOTES TO FINANCIAL STATEMENTS

Particulars	As at march 31,2021 Rupees	As at march 31,2020 Rupees
NOTE - 4		
LONG TERM BORROWINGS		
<u>SECURED</u>		
Vehicle Loans		
From		
State Bank of India	24,412	234,338
HDFC Bank Ltd	652,781	1,034,259
HDFC Bank Ltd	181,334	330,146
From Non Banking Financial Companies	6,629,730	5,385,601
The Vehicle Loans are secured by Hypothecation of Vehicle.		
TOTAL	7,488,257	6,984,344
NOTE - 5		
SHORT TERM BORROWINGS		
<u>SECURED</u>		
Loans repayable on demand		
From State Bank of India	29,615,969	18,101,218
Working Capital Facilities		
<u>UNSECURED</u>		
From Directors	636,469	1,155,944
TOTAL	30,252,438	19,257,162

Details of security offered to State Bank of India is as under:

Primary Security : Hypothecation of all present and future stock and receivables

Collateral Security :

- 1) Equitable mortgage of office premises situated at 613 Yash Kamal building, Sayajigunj, Vadodara standing in the name of Mr Atul R Shah and office premises 614 and 615 standing in the name of Mrs Shilpa A Shah.
- 2) Equitable mortgage of Residential premises situated at B-102, 107 of Sheetal apartment, Behind Utkarsh Petrol pump Karelbaug, Vadodara standing in the name of Mrs Shilpa Atul shah. Personal guarantee of Directors.
- 3) Equitable mortgage of office premises bearing no. 608,616,609 and 707 situated at Yash Kamal building, Sayajigunj, Vadodara standing in the name of Shil Technologies Pvt. Ltd.
- 4) Loans are further secured by way of personal guarantee of Directors of the company Mr. Atul R Shah and Mrs.

NOTE - 6
TRADE PAYABLES

For Goods and Services
ICICI Bank Ltd (Channel Financing Facility)

	20,826,061	20,097,934
	4,802,973	5,953,641
TOTAL	25,629,034	26,051,575

NOTE - 7
OTHER CURRENT LIABILITIES

Current maturities of long term debt
 For Secured Loans
Statutory and Other Dues
Advance received from customers

	6,470,891	8,180,567
	70,938	-
	2,879,733	-
TOTAL	9,421,562	8,180,567



NOTES TO FINANCIAL STATEMENTS

Particulars	As at march 31,2021 Rupees	As at march 31,2020 Rupees
NOTE - 8		
SHORT TERM PROVISIONS		
Provision for Taxation	317,000	141,000
Provisions for Expenses	199,600	469,083
TOTAL	516,600	610,083
NOTE - 10		
LONG TERM LOANS AND ADVANCES		
<i>Unsecured Considered Good:</i>		
Capital Advances	1,110,908	1,237,908
Security Deposits		
TOTAL	1,110,908	1,237,908
NOTE - 11		
INVENTORIES		
Stock-in-Trade- Traded Goods	71,475,501	68,631,433
TOTAL	71,475,501	68,631,433
NOTE - 12		
TRADE RECEIVABLES (UNSECURED)		
Over Six Months		
Good	14,674,289	7,198,971
Doubtful		
Below Six Months		
Good	31,843,401	31,998,316
Doubtful		
TOTAL	46,517,690	39,197,287
NOTE - 13		
CASH AND CASH EQUIVALENTS		
Cash on Hand	1,107,013	1,167,972
Balance with Banks	46,423	46,424
In Current Accounts		
TOTAL	1,153,436	1,214,396
NOTE - 14		
SHORT TERM LOANS AND ADVANCES		
<i>Unsecured Considered Good:</i>		
Advance to Suppliers		
For Capital Expenditure		125,000
Advances to Employees	-	1,572,066
Advances to Suppliers & Others	843,454	
Balances with Statutory Authorities	7,260,141	
	3,813,193	6,770,231
TOTAL	11,916,789	8,467,297



NOTE - 9 FIXED ASSETS

SHIL TECHNOLOGIES PVT LTD
SCHEDULE OF FIXED ASSETS AS ON 31.03.2021

ASSETS PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	OPENING BALANCE 01.04.2020	ADDITION DURING THE YEAR	SALE DURING THE YEAR	CLOSING BALANCE 31.03.2021	OPENING BALANCE 01.04.2020	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	CLOSING BALANCE 31.03.2021	CLOSING BALANCE 31.03.2020
FURNITURE & FITTINGS	4,388,419	52,950	-	4,441,369	1,957,124	264,777	-	2,221,901	2,431,295
COMPUTER & PRINTER	3,097,726	10,600	-	3,108,326	2,839,064	55,796	2,537	2,892,324	258,660
AIR CONDITIONER	631,634	-	-	631,634	547,780	31,573	3,987	575,367	83,854
REFRIGERATOR	93,234	-	-	93,234	66,755	12,521	-	79,276	26,479
TELEPHONE	528,747	147,000	-	675,747	496,984	17,602	-	514,586	31,763
EPABX	32,900	-	-	32,900	31,255	-	-	31,255	1,645
MOTOR CAR	5,554,285	-	-	5,554,285	2,738,889	309,382	-	3,048,271	2,815,396
HERO HONDA	1,061,765	-	-	1,061,765	1,008,677	-	-	2,506,014	53,088
ELECTRIC FAN	22,415	-	-	22,415	21,294	-	-	1,121	1,121
ELECTRIC INSTALLATION	221,100	-	-	221,100	215,296	-	5,251	11,055	5,804
WATER PURIFIER	35,170	-	-	35,170	33,412	-	-	1,758	1,758
MOBILE OFFICE CABIN	378,235	-	-	378,235	364,134	-	-	18,912	14,101
OFFICE NO 609	222,750	-	-	222,750	107,142	21,161	-	94,447	115,608
OFFICE NO 616	256,150	-	-	256,150	123,214	24,334	-	128,303	132,936
CCTV CAMERA	57,424	23,850	-	81,274	39,946	5,722	-	45,668	17,478
OFFICE NO 608	342,600	-	-	342,600	104,225	32,547	-	205,828	238,375
TIME ATTENDANCE	6,497	-	-	6,497	6,175	-	-	322	322
SUB TOTAL	16,931,051	234,400	-	17,165,451	10,701,366	775,416	16,586	11,460,198	6,229,683
FURNITURE & FITTINGS	735,009	-	-	735,009	688,548	3,627	-	692,175	46,461
HERO HONDA	701,633	-	-	701,633	693,235	-	26,684	35,082	8,398
SUB TOTAL	1,436,642	-	-	1,436,642	1,381,783	3,627	26,684	1,358,726	54,859
GRAND TOTAL	18,367,693	234,400	-	18,602,093	12,083,149	779,043	43,270	12,818,925	6,284,540



NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 20-2021 Rupees	For the year ended 2019-20 Rupees
NOTE - 15		
REVENUE FROM OPERATION		
SALE OF GOODS & SERVICES (Traded Goods)		
Domestic (Gross)	96,585,027	109,370,444
Export	-	-
	96,585,027	109,370,444
TOTAL	96,585,027	109,370,444
OTHER OPERATING REVENUE		
Turnover Discount	1,251,692	2,565,445
TOTAL	1,251,692	2,565,445
TOTAL REVENUE FROM OPERATIONS	97,836,719	111,935,889
NOTE - 16		
OTHER INCOME		
Foreign Exchange Fluctuation Gain	125,980	114,759
Interest on IT Refund	-	359,100
Discount, Kasar & accounts Written off	-	104,955
Profit on sale of car	-	163,500
TOTAL	125,980	742,314
NOTE 17		
CHANGES IN INVENTORIES OF TRADED GOODS		
Stock at Commencement		
Traded Goods	68,631,433	49,099,541
	68,631,433	49,099,541
Less: Stock at Close		
Traded Goods	71,475,501	68,631,433
	71,475,501	68,631,433
Stock Decreased /(Increased) by	(2,844,068)	(19,531,892)
NOTE - 18		
EMPLOYEE BENEFIT EXPENSES		
Salaries & Bonus	2,679,895	2,853,062
Directors Remuneration	2,400,000	2,400,000
Contribution to P.F, E.S.I and Other Statutory Funds	364,551	352,144
Staff Incentive	390,000	364,700
Workmen and Staff Welfare Expenses	239,690	579,945
TOTAL	6,074,136	6,549,851



NOTES TO FINANCIAL STATEMENTS

Particulars	For the Year ended 2020-21 Rupees	For the Year ended 2019-20 Rupees
NOTE - 19		
FINANCE COST		
Interest Expenses		
Interest on Vehicle Loan	136,129	231,156
Interest on Business Loan from NBFC	2,313,013	1,457,342
Interest on Working Capital	3,088,605	1,569,608
Interest on GST	1,050	3,850
Bank Commission and Charges	667,170	414,806
TOTAL	6,205,967	3,676,761
NOTE - 20		
OTHER EXPENSES		
A) Administration		
Electricity expenses	86,294	107,524
Auditors' Remuneration	30,000	30,000
Discount, Kasar and Accounts Written Off	60,827	-
Conveyance Expenses	8,920	115,404
Computer Expenses	63,497	75,577
General and Miscellaneous Expenses	709,610	707,851
Legal and Professional Charges	493,343	1,091,228
Printing & Stationery Expense	169,582	299,571
Rates, Taxes and Insurance	111,262	278,535
Office/ Godown Rent	1,092,750	1,111,384
Postage, Telephone and Courier Expenses	188,632	499,603
Repairs and maintenance Expenses	251,319	183,353
VAT/ Sales Tax Assessment Dues	42,354	26,035
Income Tax / Service Tax Expenses	-	44,280
Tender Fees	-	1,705
Interest on Delayed Payments	23,812	13,350
SUB TOTAL (A)	3,332,201	4,585,399
B) Selling and Distribution		
Advertisement and Sales promotion Expenses	48,892	48,154
Travelling Expenses	60,411	541,045
Vehicle Running Expenses	452,922	942,962
Sales Commission	245,500	-
Gift and Article Expenses	-	-
SUB TOTAL (B)	807,725	1,532,161
TOTAL (A+B)	4,139,926	6,117,560



NOTE 1:

Corporate Information & Significant Accounting Policies.

(Annexed to and forming part of the financial statement for the year ended 31st March, 2021)

(A) Corporate Information

Shil Technologies Private Limited is a private limited company registered under the provisions of The Companies Act 1956. The main object of the Company is trading in Industrial and engineering tools, adhesives and its accessories and undertaking industrial job work.

(B) Significant Accounting Policies

(1) Basis of Preparation of Financial Statements:

The Financial Statements have been prepared using historical cost convention and on the basis of a " Going Concern " with revenues recognized and expenses accounted for on accrual in accordance with the accounting standard notified under the relevant provisions of the Companies Act 2013. Where changes in presentation are made, comparative figures for the previous year regrouped accordingly.

The Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

(2) Use of Estimates:

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of Assets and Liabilities, disclosures of Contingent Liabilities on the date of Financial Statements and the reported amount of Revenues and Expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialized.

(3) Property, Plant & Equipment:

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management and decommissioning costs. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy. Capital work in progress includes the cost of PPE that are not yet ready for the intended use.



An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the PPE. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE and is recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on straight line method over the useful lives of the assets.

Useful lives of each class of PPE as prescribed under Part C of Schedule II to the Companies Act, 2013 are as under:-

Asset Description	Assets Useful life (in Years)
Factory Building	30
Plant and Machinery	15
Office Equipment	5
Computers	3
Furniture and Fixtures	10
Electrical Fittings	10
Vehicle	10

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

(5) Inventories:

The method of valuation of closing stock is as under.

- I. Finished goods (Traded) are valued at cost or net realizable value, whichever is lower. Finished goods cost valuation includes material cost, relevant manufacturing overheads and fixed overheads.

Cost comprises all cost of purchases, cost included in bringing the inventory to their present location & condition.



(6) Revenue Recognition:

- I. Sales are recognized when "the risks and rewards" of ownership of the goods is transferred to the customers in accordance with the terms of sale, which is generally on dispatch of goods and when no significant uncertainty as to determination or realization exists.
- II. Sales are stated exclusive of GST and are net of Sales Return.
- III. Revenue from Services is recognized when such Services are rendered.
- IV. Interest Income is recognized on the time proportion basis.
- V. Other income is recognized on accrual basis except when the realization of such income is uncertain.

(7) Retirement and Other Employee Benefits:

The Company accounts for Employee's benefits on cash basis only the exact amount in respect of privilege leave and gratuity is not provided in the accounts as no actuarial valuation in respect of these benefits has been made by the Company.

(8) Taxation:

Provision for Current Tax is made after taking into consideration benefits admissible under the Provisions of the Income-Tax Act, 1961.

Deferred Tax resulting from "Timing Difference" between Book and Taxable Profit is accounted for using the Tax Rates and Laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Assets in respect of unabsorbed Depreciation and carry forward of Losses if any are recognized, if there is virtual certainty that there will be sufficient future Taxable Income available to realize such Losses.

(9) Accounting for Taxes on Income:

- Provision for taxation for the year under report includes provision for current tax as well as provision for deferred tax.
- Provision for Current tax is made, based on tax estimated to be payable as computed under the various provision of Income Tax Act, 1961.

(10) Prior Period Adjustments:

Adjustment of identifiable items of income and expenditure pertaining to the prior period are accounted through "Prior Period Adjustments Account."

(11) Prepaid Expenses:

Expenses pertaining to subsequent period are accounted as prepaid expenses.

(12) Provisions and Contingent Liabilities:



The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possibility that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(13) Impairment of Assets:

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. An Assets is treated as impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account for the year in which as Asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

(14) Borrowing Costs

Borrowing costs are charged to statement of Profit and Loss except in cases where the borrowings are directly attributable to the acquisition, construction or production of qualifying asset in which case they are capitalized.

(15) Foreign Currency Transactions:

Transactions in Foreign currency are recorded by applying the Exchange Rate prevailing at the date of transactions. Any exchange gains or losses arising out of subsequent fluctuations are accounted for in the Statement of Profit and Loss. Monetary items denominated in foreign currency remaining unsettled at the end of the year, are translated at closing rates, prevailing on the Balance Sheet date.



21. Contingent Liabilities & Commitments (to the extent not provided for) :

Contingent liabilities	Amount in 'Rs.'	
	As at 31st March, 2021	As at 31st March, 2020
Claims against the Company not acknowledged as debt	Nil	Nil
Guarantees	Nil	Nil
Other money for which the Company is contingently liable	Nil	Nil
Commitments		
Estimated amount of contracts unexecuted on capital account	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil
Other commitments	Nil	Nil

22. In the opinion of the Board, Current Assets and Loans and Advances are at values stated in the Balance Sheet, if realisable in the ordinary course of business.

23. Letters seeking confirmation of balances outstanding to secured loans, debtors, creditors and others are not being issued. Accordingly balances as on 31st March, 2021 as appearing in books of account have been recognised and are subject to reconciliation / adjustments, if any, when the accounts of the concerned parties are reconciled and settled. The management does not expect any material difference affecting the current year's financial statements.

24. Balance in GST Input and GST Output Ledgers may not necessarily reconcile with the GSTR 3B and GSTR1 Returns filled by the Company. The same are under reconciliation and rectification wherever necessary and shall be finalised at the time of filing of Annual Return by the Company. The current input GST Credit / GST Output liabilities are stated based on the books of account maintained by the finalization of Annual GST return of the Company.

25. Auditors' Remuneration:

Particulars	2020-21	2019-20
Audit fees	30,000	30,000



26. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

Company had sought confirmation from the vendors whether they fall in the category of Micro or Small Enterprises. Based on the information available, the information available, the required disclosure for Micro and Small Enterprises under the above Act is given below:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Principal amount due to suppliers under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	NIL	NIL
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	NIL	NIL
Interest due and payable towards suppliers registered under MSMED Act, for payment already made	NIL	NIL
Further interest remaining due and payable for earlier years	NIL	NIL

Note: Micro and Small Suppliers have been identified based on declarations received by the company from such suppliers. The Company has provided waiver certificate where payments have been made to suppliers during the year and have been accepted by the suppliers in settlement of their dues, under the MSME Act, 2006 is deemed to have been waived by such suppliers.

27. Disclosure as per Accounting Standard 22 - Deferred Taxes

Deferred Tax (assets)/liabilities arising out of significant timing differences are as under:

Particulars	F.Y. 2020-21 (Amount in Rs)	F.Y. 2019-20 (Amount in Rs)
Deferred Tax Liability		
Difference between Income Tax and Book Depreciation	39726	12412
Deferred Tax Asset		
(Item Allowable under Income Tax Act on payment basis, Unabsorbed Depreciation / Business Loss)	-	-
Total Deferred tax Liabilities/(Assets)	39726	12412



28. Disclosure as per accounting standard 20- Earning per Share:

In accordance with Accounting Standard 20-Earnings Per Share under the Companies Accounting Standards) Rules, 2006, the Basic and Diluted Earning Per Share (EPS) has been calculated as under:

Particulars	2020-21 (₹)	2019-20 (₹)
Net Profit/(Loss)	925606	5,23775
Number of Equity Shares outstanding (Nos.)	22700	22700
Basic Earning Per Share of Rs. 10/- each	40.77	23.07

29. Disclosure as per Accounting Standard 18 - Related Parties Disclosures

Related Party disclosures as required by Accounting Standard 18 "Related Party Disclosure" as per Companies (Accounting Standards) Rules 2006 are given below:

Sr. no.	Name of Related Parties	Nature of Relationship
1	Mr. Atul R Shah	Key Management Personnel
2	Mrs Shilpa A Shah	Key Management Personnel

Note: Related parties have been identified by management.

Nature of Transaction	Key Mgt. Personnel	Relative of KMP	Associates	Total
Mr. Atul R Shah				
-Remuneration	12,00,000	-	-	12,00,000
-Rent Paid	1,44,000	-	-	1,44,000
-Loan Taken	4,50,000	-	-	7,37,675
-Loan paid	7,37,675	-	-	4,50,000
-Balance outstanding	5,88,656	-	-	5,88,656
Mrs. Shilpa A Shah				
-Remuneration	12,00,000	-	-	12,00,000
-Loan Taken	27,00,000	-	-	27,00,000
-Loan paid	29,31,800	-	-	29,31,800
-Balance outstanding	47,812	-	-	47,812



30. Employee Benefits :

The Company has not recognized the liability towards leave encashment and Gratuity at each Balance sheet date. All employee benefits are accounted on cash basis.

31. In terms of Accounting Standard - 17 Segment Reporting the Company operates in only one primary reportable segment.

Particular	Year ended 31/03/2021 (₹)	Year ended 31/03/2020 (₹)
Sales & Job Work Income (Net)		
Domestic	9,65,85,027	10,93,70,444
Export	Nil	Nil
Total	9,65,85,027	10,93,70,444

32. Details of Traded Goods :

i. Finished Products :

Sr. No.	Category	2020-21			2019-20		
		Sales (₹)	Closing Inventory (₹)	Opening Inventory (₹)	Sales (₹)	Closing Inventory (₹)	Opening Inventory (₹)
1	Tools and Adhesives etc	65405526	7,14,75,501	6,86,31,433	6,51,24,036	6,86,31,433	4,90,99,541
	Total	65405526	7,14,75,501	6,86,31,433	6,51,24,036	6,86,31,433	4,90,99,541

33. CIF Value of Imports:

Particulars	2020-21 (₹)	2019-20 (₹)
Traded Goods	13,49,845	22,95,721
Capital goods	NIL	NIL
Packing material	NIL	NIL
Spares	NIL	NIL
Others	NIL	NIL
Total Rs.	13,49,845	22,95,721



34. Expenditure in Foreign Currency:

Particulars	2020-21 (₹)	2019-20 (₹)
Travelling	NIL	NIL
Raw Material	NIL	NIL
Repairs to Machinery	NIL	NIL
Stores & Spares	NIL	NIL
Capital Purchases	NIL	NIL
Packing Material	NIL	NIL
Total Rs.	NIL	NIL

35. Previous Year's Figures:

Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the Current Year's classification/ disclosure.

As per our attached Report of even date

For and on behalf of the Board of Directors

For Parikh Shah Chotalia & Associates
Chartered Accountants



Dhirendra P Shah
(Partner)

Membership No. : 030454

F.R.N. : 118493W

Place : Vadodara

Date : 6th September, 2021



Atul R Shah
Director

Shilpa A Shah
Director

Place : Vadodara

Date : 6th September, 2021