



**INDEPENDENT AUDITORS' REPORT**

**To the members of Cadence Enterprises Private Limited  
Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Cadence Enterprises Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

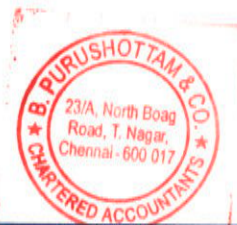
We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial 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 Companies Act 2013 and the Rules 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 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.





**CHARTERED ACCOUNTANTS**

When we read these reports if we conclude that there is material misstatement therein, we are required to communicate the matter with those charged with governance.

**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 including other comprehensive income / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 the 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 are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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.





## CHARTERED ACCOUNTANTS

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. The Company being a Private Company, not being a subsidiary or holding company of a public company, having a paid-up capital and reserves and surplus not more than rupees one crore as on the Balance Sheet date and which does not have total borrowings exceeding rupees one crore from any bank or financial institution at any point of time during the financial year and which does not have a total revenue as disclosed in Schedule III of the Companies Act 2013 exceeding rupees ten crores during the financial year as per the financial statements, Companies (Auditor's Report) order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable
2. As required under section 143 (3) of the Act, based on our audit, we report that, to the extent applicable 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



## CHARTERED ACCOUNTANTS

- e. On the basis of written representations received from the directors as on March 31, 2021, and 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. The Company being a Private Limited Company, not having turnover more than rupees fifty crores as per last audited financial statements and which does not have aggregate borrowings exceeding twenty-five crore rupees from any bank or financial institution or anybody corporate at any point of time during the financial year, the reporting on Internal financial control u/s 143(3)(i) of the Act is not applicable;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(6) of the Act, as amended:

In our opinion and to the best of our information and according to explanations given to us, the Company being a Private Company, section 197 of the Act related to the managerial remuneration is not applicable

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial position. Refer Note no 17 to the 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 during the year ended March 31, 2021.

for **B. Purushottam & Co.**  
**Chartered Accountants**  
Firm's Registration No. 0028085



**B. Mahidhar Krishna**  
**Partner**

Membership No. 243632

UDIN: 21243632AAAADA4601

Place: Chennai  
Date: 12.07.2021



**Balance Sheet as at March 31, 2021**

( Amount in Rs.)			
Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>I. Assets</b>			
<b>Current assets</b>			
(a) Financial Assets			
Cash and cash equivalents	3	40,137	84,760
(b) Other current assets	4	8,529	8,529
<b>TOTAL ASSETS</b>		<b>48,666</b>	<b>93,289</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	5	1,00,000	1,00,000
(b) Other Equity	6	(24,81,449)	(23,26,852)
<b>TOTAL EQUITY</b>		<b>(23,81,449)</b>	<b>(22,26,852)</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	7	11,90,000	11,90,000
(ii) Other financial liabilities	8	12,18,910	11,14,339
(b) Other liabilities	9	8,479	11,336
(c) Short-term provisions	10	4,466	4,466
<b>TOTAL LIABILITIES</b>		<b>24,30,115</b>	<b>23,20,141</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>48,666</b>	<b>93,289</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B. Purushottam & Co**

Chartered Accountants

Firm Registration Number - 0028085

For and on behalf of the Board of Directors of  
Cadence Enterprises Private Limited

**B. Mahidhar Krrishna**  
Partner  
Membership No.243632



Place : New Delhi  
Date : 12th July'2021

**Srinivas**  
M V Srinivas  
Director  
DIN: 02477894

**P.V. Subba Rao**  
P.V. Subba Rao  
Director  
DIN: 03634510



Statement of profit and loss for the year ended March 31, 2021

( Amount in Rs.)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	11	-	-
II Other income	12	-	-
III Total Revenue (I + II)		-	-
IV Expenses			
Finance costs	13	1,13,069	1,13,394
Other expenses	14	41,528	40,736
Total expenses (IV)		1,54,597	1,54,130
V Profit before Tax (III-IV)		(1,54,597)	(1,54,130)
VI Tax expense:			
Current tax		-	-
Deferred Tax		-	-
VII Profit for the period (V - VI)		(1,54,597)	(1,54,130)
VIII Other comprehensive income			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Tax on above		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the period, net of tax (VII+VIII)		(1,54,597)	(1,54,130)
Earnings per equity share:			
Basic & Diluted	15	(15.46)	(15.41)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
for B. Purushottam & Co  
Chartered Accountants  
Firm Registration Number - 0028085

For and on behalf of the Board of Directors of  
Cadence Enterprises Private Limited

  
B. Mahidhar Krrishna  
Partner  
Membership No.243632



  
M V Srinivas  
Director  
DIN: 02477894

  
P.V. Subba Rao  
Director  
DIN: 03634510

Place : New Delhi  
Date : 12th July'2021



**Cash flow statemetem for the year ended March 31, 2021**

( Amount in Rs.)

	March 31, 2021	March 31, 2020
<b>Cash flow from operating activities</b>		
Profit before tax	(1,54,597)	(1,54,130)
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Fair value of Financial assets and Liabilities	-	-
Interest Expenses	1,13,050	1,13,360
<b>Operating profit/ (loss) before working capital changes</b>	<b>(41,547)</b>	<b>(40,770)</b>
<b>Movement in working capital:</b>		
Increase/(Decrease) in Trade Payable	8,260	-2,360
Increase/(Decrease) in Current financial liability	1,04,571	1,02,024
Increase/(Decrease) in Other Current liability	(2,857)	(9,245)
<b>Cash generated from/ (used in) operations</b>	<b>68,427</b>	<b>49,649</b>
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from operating activities (A)</b>	<b>68,427</b>	<b>49,649</b>
<b>Cash flow from investing activities</b>		
Sale of Investments	-	-
<b>Net Cash flow used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>Cash flow from Financing Activities</b>		
Interest paid	(1,13,050)	(1,13,360)
loan repaid	-	-
<b>Net Cash flow used in financing activities (C)</b>	<b>(1,13,050)</b>	<b>(1,13,360)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(44,623)</b>	<b>(63,711)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>84,760</b>	<b>1,48,471</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>40,137</b>	<b>84,760</b>
<b>Components of cash and cash equivalents</b>		
<b>Balance with banks</b>		
- on current accounts	40,137	84,760
- on deposit accounts	-	-
- Cash on hand	-	-
<b>Total cash and cash equivalents (Note 4)</b>	<b>40,137</b>	<b>84,760</b>

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached  
for **B. Purushottam & Co**  
Chartered Accountants  
Firm Registration Number - 0028085

For and on behalf of the Board of Directors of  
Cadence Enterprises Private Limited

  
**B. Mahidhar Krrishna**  
Partner  
Membership No.243632



  
**M V Srinivas**  
Director  
DIN: 02477894

  
**P.V. Subba Rao**  
Director  
DIN: 03634510

Place : New Delhi  
Date : 12th July'2021





**Statement of changes in equity for the year ended March 31, 2021**

Particulars	Equity Share Capital (Note 5)	Retained earnings (Note 6)	Other comprehensive income (Note 6)	Total
Balance as at March 31, 2020	1,00,000	(23,26,852)	-	(22,26,852)
Profit for the year	-	(1,54,597)	-	(1,54,597)
Other comprehensive income	-	-	-	-
Issue of Share Capital	-	-	-	-
Balance as at March 31, 2021	1,00,000	(24,81,449)	-	(23,81,449)

Accompanying notes form integral part of the financial statement.

As per our report of even date attached  
for **B. Purushottam & Co**  
Chartered Accountants  
Firm Registration Number - 002808S



*B. Mahidhar*

**B. Mahidhar Krrishna**  
Partner  
Membership No. 243632

Place : New Delhi  
Date : 12th July'2021

For and on behalf of the Board of Directors of  
Cadence Enterprises Private Limited

*Srinivas*  
**M V Srinivas**  
Director  
DIN: 02477894

*P.V. Subba Rao*  
**P.V. Subba Rao**  
Director  
DIN: 03634510





**Notes to financial statements for the year ended March 31, 2021**

**1. Corporate information**

Cadence Enterprises Private Limited (referred to as "The Company") domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was incorporated on 1st Jan'2008. The company is in the business of dealing in, sale, purchase, import distribute all goods and services and to establish and run shops, business centers, restaurants and shopping complexes

Cadence Enterprises Private Limited is a subsidiary company of GMR Enterprises Private Limited.

The financial statements were authorised for issue in accordance with a resolution of the directors on 12th July'2021

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared and presented on a historical cost convention on an accrual basis, except for the certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR, which is the functional currency, except when otherwise indicated.

**2.2 Summary of significant accounting policies**

**a. Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The company classifies all other assets as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**b. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.



## Notes to financial statements for the year ended March 31, 2021

### c. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Revenue are stated exclusive of sales tax, value added tax, goods and service tax. The following specific recognition criteria must also be met before revenue is recognized:

Interest income is recognised using the effective interest rate method ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included under the head "Other Income" in the statement of profit and loss.

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

Profit/loss on sale of mutual funds are recognized when the title to mutual funds ceases to exist.

### d. Taxes

Tax expense comprises of current tax and deferred tax. Current tax and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is measured at the amount expected to be paid to the income tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### e. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur.

### f. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

### g. Contingent liability and assets

Disclosures for contingent liability are made when there is a possible and present obligation that arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible and present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

### h. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the below categories:

(a) Financial assets at amortised cost





Notes to financial statements for the year ended March 31, 2021

**(a) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business where the objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans and other financial assets.

**(b) Financial Assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Derivative instruments included in FVTOCI category are measured initially as well as at each reporting date at fair value. Movement in fair value is recognised in OCI.

**(c) Financial Assets including derivatives at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset is primarily derecognised when:

- (a) the right to receive cash flows from the asset has expired, or
- (b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and Loss.

**Impairment of financial assets**

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on the following financial assets and credit risk exposure:

- (a) Financial assets that are measured at amortised cost e.g. trade receivables

- (b) Trade receivables, any contractual right to receive cash or any another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows the simplified approach for recognition of impairment loss allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between net of all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on trade receivables.

The Company does not have any purchased or originated credit-impaired financial assets, i.e., financial assets which are credit impaired on purchase/origination.

ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss (FVTPL), loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and in the case of payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and loans and borrowings.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification as discussed below.

**Trade and other payables**

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value is used due to the short maturity of these instruments.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.



**Notes to financial statements for the year ended March 31, 2021**

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**i. Cash and Cash equivalents**

Cash and cash equivalents include cash at bank and deposits with banks having maturity of three months or less. The bank deposits with original maturity of up to three months are classified as cash and cash equivalents and bank deposits with original maturity of more than three months are classified as other bank balances.

**j. Statement of Cash Flow**

The Statement of Cash Flow is reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash flows from operating, investing and financing activities of the Company are segregated.

**2.3 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

The key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.3.1 Impairment of financial assets**

The Company assesses impairment on financial assets based on Expected Credit Loss (ECL) model. The provision matrix is based on its historically observed default rates over the expected life of the financial assets and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward looking estimates are analysed.

**2.3.2 Going Concern**

The financial statements of the Company have been prepared on the basis that the Company is a going concern as the company has ability to continue as a going concern.





**Notes to financial statements for the year ended March 31, 2021**

		( Amount in Rs.)
<b>Note 3 - Cash and Cash Equivalents</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Balance with Banks</b>		
On current accounts	40,137	84,760
Deposits with original maturity of less than 3 months	-	-
<b>Cash on hand</b>	<b>40,137</b>	<b>84,760</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Balance with Banks</b>		
On current accounts	40,137	84,760
Deposits with original maturity of less than 3 months	-	-
<b>Cash on hand</b>	<b>40,137</b>	<b>84,760</b>

<b>Note 4 - Other Assets</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Current</b>		
<b>Others</b>		
Advance income tax (Net of Provision for Taxation)	4,063	4,063
Mat Credit	4,466	4,466
	<b>8,529</b>	<b>8,529</b>
Allowance for doubtful advances	-	-
	<b>8,529</b>	<b>8,529</b>
<b>Total</b>	<b>8,529</b>	<b>8,529</b>

**Note:**

**Other advances due by directors or other officers, etc.**

- Non-current
- Current

**Break up of financial assets carried at amortised cost**

	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Non - current</b>	-	-
<b>Current</b>		
Cash and cash equivalent (Refer note 4)	40,137	84,760
	<b>40,137</b>	<b>84,760</b>
<b>Total</b>	<b>40,137</b>	<b>84,760</b>



**Notes to financial statements for the year ended March 31, 2021**

( Amount in Rs.)

Note 5 - Share Capital	31-Mar-21		31-Mar-20	
	(No. of Shares)	Amount	(No. of Shares)	Amount
Authorized shares				
Equity Shares of Rs.10 Each	10,000	1,00,000	10,000	1,00,000
	<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>

**Note 5A - Issued share capital**

- Equity shares	31-Mar-21		31-Mar-20	
	(No. of Shares)	Amount	(No. of Shares)	Amount
At the beginning of the year	10,000	1,00,000	10,000	1,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>

**Terms/ rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of these shares are entitled to receive dividends as and when declared by the company subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder shall have voting rights in proportion to the their paid up equity share capital.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.

**Note 5B- Details of shareholders holding more than 5% shares in the Company**

	31-Mar-21		31-Mar-20	
	Nos.	% of Holding	Nos.	% of Holding
<b>Equity shares of Rs. 10 each fully paid</b>				
GMR Enterprises Private limited	9,999	99.99%	9,999	99.99%
	<b>9,999</b>	<b>99.99%</b>	<b>9,999</b>	<b>99.99%</b>

**Note 6 - Other Equity**

	31-Mar-21	31-Mar-20
<b>Retained Earnings / Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	(23,26,852)	(21,72,722)
Profit for the year	(1,54,597)	(1,54,130)
<b>Total Retained Profits/ Losses</b>	<b>(24,81,449)</b>	<b>(23,26,852)</b>
<b>Other comprehensive income</b>	-	-
<b>Other Reserves</b>	-	-
<b>Total</b>	<b>(24,81,449)</b>	<b>(23,26,852)</b>

**Note 7 - Borrowings**

	Effective IR	Maturity	31-Mar-21	31-Mar-21
<b>Non-current Borrowings</b>				
<b>Total non-current borrowings</b>			-	-
<b>Current Borrowings</b>				
<b>Unsecured</b>				
Loan from Related Parties	9.50%	31/08/2021	11,90,000	11,90,000
<b>Total current borrowings</b>			<b>11,90,000</b>	<b>11,90,000</b>
<b>Less: Amount clubbed under "other current financial liabilities"</b>			-	-
<b>Net current borrowings</b>			<b>11,90,000</b>	<b>11,90,000</b>
<b>Aggregate Unsecured loans</b>			11,90,000	11,90,000
<b>Aggregate Secured loans</b>			-	-





**Notes to financial statements for the year ended March 31, 2021**

<b>Note 8 - Other financial liabilities</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Current</b>		
Carried at amortised cost		
Interest accrued but not due	11,98,910	10,94,339
Audit fee payable	20,000	20,000
<b>Total</b>	<b>12,18,910</b>	<b>11,14,339</b>
<b>Note 9 - Other liabilities</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Current</b>		
Statutory Liabilities	8,479	11,336
<b>Total</b>	<b>8,479</b>	<b>11,336</b>
<b>Note 10 - Provisions</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Current</b>		
Provision For tax	4,466	4,466
	<b>4,466</b>	<b>4,466</b>
<b>Break up of financial liabilities carried at amortised cost</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
<b>Non - current</b>		
Borrowings (Refer note 7)	-	-
<b>Current</b>		
Borrowings (Refer note 7)	11,90,000	11,90,000
Other financial liabilities (Refer note 8)	12,18,910	11,14,339
	<b>24,17,170</b>	<b>23,04,339</b>
	<b>24,17,170</b>	<b>23,04,339</b>



Notes to financial statements for the year ended March 31, 2021

( Amount in Rs.)

Note 11 - Revenue from Operations	31-Mar-21	31-Mar-20
Revenue from operations		
Operational Revenue	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Note 12 - Other Income	31-Mar-21	31-Mar-20
Interest income on Financial assets carried at amortised cost		
Others	-	-
Other non operating income		
Miscellaneous Income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Note 13 - Finance cost	31-Mar-21	31-Mar-20
Interest on:		
Loans	1,13,050	1,13,360
Other Finance Charges	19	34
<b>Total</b>	<b>1,13,069</b>	<b>1,13,394</b>
Note 14 - Other expenses	31-Mar-21	31-Mar-20
Rates & Taxes - GST	4,860	5,625
Rates & Taxes - ROC fee	608	2,103
Rates & Taxes - E-TDS Uploading fee	-	168
Certification Charges	10,750	2,750
Professional Fees	-	9,500
Demat charges	-	590
Other expenses	5,310	-
Audit Fees	20,000	20,000
<b>Total</b>	<b>41,528</b>	<b>40,736</b>
<b>Payment to auditor</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
As auditor:		
Audit fee	20,000	20,000
	<b>20,000</b>	<b>20,000</b>





Notes to financial statements for the year ended March 31, 2021

( Amount in Rs.)

**15 Earnings per share (EPS)**

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**c) The following reflects the income and share data used in the basic and diluted EPS computations:**

	For the year ended March, 2021	For the year ended March 31, 2020
Profit attributable to the equity holders of the company	(1,54,597)	(1,54,130)
<b>Profit attributable to the equity holders of the parent</b>	<b>(1,54,597)</b>	<b>(1,54,130)</b>
Weighted average number of equity shares used for computing Earning per share (Basic and diluted)	10,000	10,000
	10,000	10,000
Earning per share (Basic) (Rs.)	(15.46)	(15.41)
Earning per share (Diluted) (Rs.)	(15.46)	(15.41)
Face value per share (Rs.)	10.00	10.00



**Notes to financial statements for the year ended March 31, 2021**

(Amount in Rs.)

**16 Capital Commitments**

31-Mar-21	31-Mar-20
-----------	-----------

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)  
Uncalled liability on shares and other investments partly paid

**17 Contingent Liabilities**

31-Mar-21	31-Mar-20
-----------	-----------

**Contingent Liabilities (not provided for) in respect of**  
Claims against the company not acknowledged as debt;  
Other money for which the company is contingently liable.

**18 Trade Receivables**

31-Mar-21	31-Mar-20
-----------	-----------

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.  
Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.  
Trade receivables are non-interest bearing, if any.

**19 Segment Information**

The company is engaged primarily in the business of sale and purchase of all goods & services etc., Considering this the company has only one business / geographical segments as per Ind AS 108 "Operating segment".

20 The company does not have any employees on its rolls during the period covered in financials and hence no provision is made for retirement benefits

21 The company does not have any Lease transaction reportable under Ind AS 116.

22 The company does not have any Property, Plant & Equipments and any Investment Property reportable under ind as 16 and 40 respectively.

23 No Foreign Currency Transaction happened during the periods covered under financials thus no foreign exchange difference arise.

24 Company does not have any pending litigations which would impact its financial position as on March 31, 2021.





**Notes to financial statements for the year ended March 31, 2021**

**25 Related party transactions**

25.1 Parties where control exists  
Holding company

GMR Enterprises Pvt. Ltd.

25.2 Other related parties where transactions have taken place during the year:

**Enterprises under Common Control / Fellow subsidiaries Company/  
Joint Ventures**

Kirthi Timbers Pvt Ltd

**Key Management Personnel and their Relative**

**Name**  
Mr. M.V. Srinivas, Director  
Mr. P.V. Subbarao, Director  
**Appointment Date**  
25.08.2014  
18.12.2018

**Enterprises where Director or Key Management Personnel  
and their relatives holds any designation/position  
(where transactions taken place)**

**Name**  
Kirthi Timbers Pvt Ltd

Particulars	Holding Company		Fellow subsidiaries Company/ Joint Ventures			Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2020
<b>Transactions for the year:</b>							
<b>Interest Paid</b>							
Kirthi Timbers Pvt Ltd	-	-	1,13,050	1,13,360	1,13,050	1,13,360	1,13,360
<b>Balances at the year end</b>							
<b>Loans Taken</b>							
Kirthi Timbers Pvt Ltd	-	-	11,90,000	11,90,000	11,90,000	11,90,000	11,90,000
<b>Interest Payable</b>							
Kirthi Timbers Pvt Ltd	-	-	11,98,910	10,94,339	11,98,910	10,94,339	10,94,339

**Notes:**

a) No amount has been provided as doubtful receivables or advance/ written off during the year in respect of receivables due from/ to above related parties except for amount disclosed above.



**Notes to financial statements for the year ended March 31, 2021**

**26 Fair Values**

(Amount in Rs.)

**A. Accounting classification and fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments.

	Carrying value		Fair value	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
<b>Financial assets</b>				
Measured at amortised cost:				
Cash and cash equivalent	40,137	84,760	40,137	84,760
<b>Total (I + II)</b>	<b>40,137</b>	<b>84,760</b>	<b>40,137</b>	<b>84,760</b>
<b>Financial liabilities</b>				
Measured at amortised cost:				
(a) Borrowings	11,90,000	11,90,000	11,90,000	11,90,000
(b) Other financial liabilities	12,18,910	11,14,339	12,18,910	11,14,339
<b>Total</b>	<b>24,17,170</b>	<b>23,04,339</b>	<b>24,17,170</b>	<b>23,04,339</b>

The carrying amount of financial instruments such as cash & cash equivalents and borrowings and other financial liabilities are considered to be same as their fair value due to their short term nature.

The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques, if any.

**B. Fair Value Hierarchy**

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

Quantitative disclosures fair value measurement hierarchy	Year	Level			Total
		Level 1	Level 2	Level 3	
<b>Financial liabilities / liabilities</b>					
	31-Mar-21	-	-	-	-
	31-Mar-20	-	-	-	-

There have been no transfers Level 1 and Level 2 during the period.





**Notes to financial statements for the year ended March 31, 2021**

(Amount in Rs.)

**27 Capital management**

For the purpose of the Company's capital management, the capital includes issued equity capital, and other equity reserves attributable to the equity holders of the Company. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of financial covenants. To maintain and adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is a net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio at an optimum level. The Company includes within net debt interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	31-Mar-21	31-Mar-20
Borrowings	11,90,000	11,90,000
Total Debt (A)	11,90,000	11,90,000
Equity	1,00,000	1,00,000
Other Equity	(24,81,449)	(23,26,852)
Total Equity (B)	(23,81,449)	(22,26,852)
Total equity and total debt (C= A+B)	(35,71,449)	(34,16,852)
Gearing ratio % (A/C)	-33.32%	-34.83%

**27A Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investments, other receivables, cash and cash equivalents that derive directly from its operations..

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk management team ensures that the Company's financial activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.





**Notes to financial statements for the year ended March 31, 2021**

(Amount in Rs.)

**Market Risk**

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, trade receivables, trade payables, and other financial assets including derivative financial instruments.

**a. Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	31-Mar-21		31-Mar-20	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+50 (-150)	Nil Nil	+50 (-150)	Nil Nil

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Company has no exposure to the risk of changes in foreign exchange rates in respect of Operating, Investing and Financial activities.

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

**Trade receivables and Loan & Advances**

The major exposure to credit risk at the reporting date is primarily from loan & advances.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Additionally, the Company also computes customer specific allowances at each reporting date.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions of each customer as at reporting date.





Notes to financial statements for the year ended March 31, 2021

(Amount in Rs.)

Other financial assets

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department/risk management team in accordance with the Company's policy. Investments, in the form of fixed deposits, of surplus funds are made only with banks. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cashflows, to ensure it has sufficient funds to meet the operational needs.

The table below summarise the maturity profile of the Company's financial liabilities based on contractually agreed undiscounted cash flows:

	Within 1 year	More than 1 year	Total
<b>As on March 31, 2021</b>			
Borrowings	11,90,000	-	11,90,000
Trade and Other Payables	8,260	-	8,260
Other current financial liabilities	12,18,910	-	12,18,910
	<u>24,17,170</u>	<u>-</u>	<u>24,17,170</u>
<b>As on March 31, 2020</b>			
Borrowings	11,90,000	-	11,90,000
Trade and Other Payables	-	-	-
Other current financial liabilities	11,14,339	-	11,14,339
	<u>23,04,339</u>	<u>-</u>	<u>23,04,339</u>



**Cadence Enterprises Private Limited**

Ground Floor, New Udaan Bhawan, Opposite Terminal-3, IGI Airport, New Delhi 110037

CIN: U52100DL2008PTC172118

**Notes to financial statements for the year ended March 31, 2021**

(Amount in Rs.)

- 28** Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises Development Act, 2006. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" (as certified by the management).

Particulars	31-Mar-21	31-Mar-20
The Principal amount and interest due thereon remaining unpaid to any supplier		
- Principal Amount	Nil	Nil
- Interest thereon	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
The amount of interest accrued and remaining unpaid	Nil	Nil
The amount of further interest remaining due and payable in the succeeding year till the date of finalization of financial statements	Nil	Nil





**Cadence Enterprises Private Limited**  
Ground Floor, New Udaan Bhawan, Opposite Terminal-3, IGI Airport, New Delhi 110037  
CIN: U52100DL2008PTC172118

Notes to financial statements for the year ended March 31, 2021

( Amount in Rs.)

29. Previous year figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

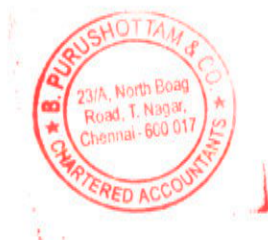
As per our report of even date attached

for B. Purushottam & Co  
Chartered Accountants  
Firm Registration Number - 0028085

For and on behalf of the Board of Directors of  
Cadence Enterprises Private Limited



B. Mahidhar Krrishna  
Partner  
Membership No.243632



M V Srinivas  
Director  
DIN: 02477894



P.V. Subba Rao  
Director  
DIN: 03634510

Place : New Delhi  
Date : 12th July'2021

