



# KUMARAVEL AND COMPANY

## CHARTERED ACCOUNTANTS

Independent auditors' report to the members of **Smart Craft Private Limited**

### Report on the standalone financial statements

#### Opinion

We have audited the accompanying financial statements of **M/s SMART CRAFT PRIVATE LIMITED**, which comprises the balance sheet as at **31 March 2020**, and the statement of profit and loss and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and profit, and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting Process.





# KUMARAVEL AND COMPANY

## CHARTERED ACCOUNTANTS

### Auditor's Responsibility for the Audit of the Financial Statements

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

### Report on other legal and regulatory requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the company since:

- (a) It is not a subsidiary or holding company of a public company;
- (b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
- (c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
- (d) Its turnover for the year is not more than Rs.10 Crores during the year.

2. As required by section 143(3) of the Act, we further 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 and Statement of Profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors, as on 31 March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;
- (f) The company being a Private Company exempted by notification GSR 464(E) dated 5th June, 2015 as amended on 13th June, 2017, clause (i) of subsection (3) of section 143 of the Companies Act, 2013 is not applicable





**KUMARAVEL AND COMPANY**  
**CHARTERED ACCOUNTANTS**

- (g) With respect to other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
  - The Company has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards, for material foreseeable losses;
  - There were no amounts which were required to be transferred to the Investor Education and protection Fund by the Company.

**For M/s KUMARAVEL AND COMPANY**  
Chartered Accountants  
Firm registration no: 014470S

**Kumaravel D**  
Proprietor  
MRN: 205710  
UDIN: 20205710AAAAAI8587  
Place: Bengaluru  
Date: 21.09.2020



**SMART CRAFT PRIVATE LIMITED**  
Cash Flow Statement

**Cash flow from operating activities**

Profit before tax

**Adjustments for :**

Depreciation

Interest income

Operating profit before working capital changes

**Changes in Working Capital:**

(Increase)/decrease in inventories

(Increase)/decrease in in trade receivables

(Increase) in loans and advances

Increase/ (decrease) in current liabilities

**Cash generated from operations**

Direct taxes paid (net of refunds)

**Net cash generated from operating activities**

**Cash flow from investing activities**

Purchase of tangible/intangible assets

Sale of tangible/intangible assets

Redemption of preference shares

Share application money pending allotment

Interest received

**Net cash from / (used in) investing activities**

**Cash flow from financing activities**

Proceeds from short term borrowings

**Net cash from / (used in) financing activities**

**Net increase/decrease in Cash and Cash Equivalents**

**Cash and Cash Equivalents at the beginning of the period**

**Cash and Cash Equivalents at the end of the period**

Cash and Cash Equivalents comprises of:

Cash on Hand

**Balance with Banks**

In current Accounts

**Total**

For the year ended  
March 31, 2020 March 31, 2019

(11,968,874) (445,611)

1,190,503 1,156,007

(12,533) -

**-10,790,904 710,396**

458,479 (1,378,663)

9,399,812 (7,729,934)

(1,790,569) (1,898,411)

804,398 4,108,556

**-1,918,785 (6,188,057)**

(15,954) (122,431)

**(1,934,738) (6,310,488)**

(203,268) (363,987)

- -

- -

- -

12,533 -

**(190,735) (363,987)**

3,000,000 5,500,000

**3,000,000 5,500,000**

874,527 (1,174,475)

963,931 2,138,405

**1,838,458 963,930**

38,001 44,295

1,800,457 919,636

**1,838,458 963,931**

The accompanying notes form an integral part of these financial statements

1&2

As per our report of even date attached

**For Kumaravel And Company**

Chartered Accountants

Registration No. 014470S



Kumaravel D

Proprietor

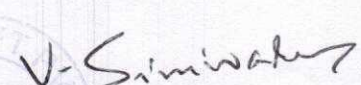

Membership No.205710

Bangalore |



**For and on behalf of Board of Directors**



V. Srinivasan

Director

DIN:0640646

Bangalore |

Mythili Srinivasan

Director

DIN:02540606

Bangalore |


**SMART CRAFT PRIVATE LIMITED**
**Balance Sheet**

	Note	As at March 31, 2020	As at March 31, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,000,000	1,000,000
Reserves and surplus	4	-13,635,244	(1,576,246)
		<u>-12,635,244</u>	<u>(576,246)</u>
Share application money pending allotment			
<b>Current liabilities</b>			
Short term borrowings	5	28,580,589	25,580,589
Trade Payables	6	5,963,733	993,640
Other current liabilities	7	61,805	120,904
Short-term provisions	8	269,597	4,376,194
		<u>34,875,724</u>	<u>31,071,327</u>
<b>TOTAL</b>		<u><b>22,240,481</b></u>	<u><b>30,495,081</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	4,741,098	5,725,434
Intangible assets	10	14,183	17,082
		<u>4,755,281</u>	<u>5,742,516</u>
Deferred tax Assets (Net)	11	524,340	598,510
Long-term loans and advances	12	1,000,000	1,000,000
<b>Current assets</b>			
Inventory	13	5,949,928	6,408,407
Trade Receivables	14	703,314	10,103,126
Cash and cash equivalents	15	1,838,458	963,931
Short-term loans and advances	16	7,469,160	5,678,591
		<u>15,960,860</u>	<u>23,154,055</u>
<b>TOTAL</b>		<u><b>22,240,481</b></u>	<u><b>30,495,081</b></u>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

1&2

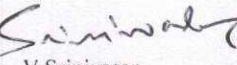
**For Kumaravel And Company**  
Chartered Accountants  
Registration No. 014470S

  
Kumaravel D  
**Proprietor**  
Membership No.205710  
Bangalore |



**For and on behalf of Board of Directors**



  
V.Srinivasan  
**Director**  
DIN:0640646  
Bangalore |

  
Mythili Srinivasan  
**Director**  
DIN:02540606  
Bangalore |

**SMART CRAFT PRIVATE LIMITED**  
**Statement of Profit and Loss**

	Note	For the year ended	
		March 31, 2020	March 31, 2019
Revenue from operation		90,503,810	77,874,939
Other Income	17	12,533	-
		<u>90,516,343</u>	<u>77,874,939</u>
<b>Expenses</b>			
Operating Expenses	18	17,099,487	14,511,264
Purchases of stock-in-trade		62,624,796	46,069,177
Changes in inventories of stock-in-trade	19	458,479	(1,378,664)
Employee Benefit Expense	20	4,168,750	4,363,076
Financial Costs	21	-	-
Depreciation and amortization expense	22	1,190,503	1,156,007
Other Expenses	23	16,943,202	13,599,691
<b>Total</b>		<u>102,485,217</u>	<u>78,320,550</u>
<b>Profit (loss) before tax</b>		<b>-11,968,874</b>	<b>-445,611</b>
<b>Tax Expenses</b>			
- Current tax		-	122,431
- MAT credit		-	-
<b>Net Current Tax</b>		<u>-</u>	<u>122,431</u>
<b>Tax Expense (previous years)</b>		15,954	
- Deferred tax expense		74,170	(235,948)
		<u>90,124</u>	<u>(113,517)</u>
<b>Profit (Loss) for the period</b>		<b>(12,058,998)</b>	<b>(332,094)</b>
<b>Earnings Per Equity share: (Face Value:Rs.10) (2019:Rs.10)</b>	24		
Basic & Diluted		-120.59	-3.32

The accompanying notes form an integral part of these financial statements.  
As per our report of even date attached

1&2

**For Kumaravel And Company**  
Chartered Accountants  
Registration No. 014470S

  
Kumaravel D  
**Proprietor**  
Membership No.205710  
Bangalore |



**For and on behalf of Board of Directors**



V.Srinivasan  
**Director**  
DIN:0640646  
Bangalore |

  
Mythili Srinivasan  
**Director**  
DIN:02540606  
Bangalore |

**Smart Craft Private Limited**  
**Notes forming part of financial statements**  
**All Figure in Rupees**

**1. Background**

Smart Craft Private Limited was incorporated on April 25, 2011 to provide or sell various personal or direct services including managing events, conferences, exhibitions, consumer shows, product launches, catering, travel facilities, gifts, merchandise and any other similar end user services or products to individuals, corporate, social, charitable & political organizations and such other consumers.

**Summary of significant accounting policies**

**a. Basis for preparation of accounts**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 ('the Act'), read together with Paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**b. Use of estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revisions to accounting estimates are recognized prospectively when revised, in current and future periods.

**c. Tangible assets**

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from /upto the date of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule II to the Act.

**d. Intangible assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 5 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.



**Smart Craft Private Limited**  
**Notes forming part of financial statements**  
**All Figure in Rupees**

**e. Investments**

Long term investments are carried at cost and necessary provisions are made to recognize any decline, other than temporary, in the value of such investments.

Current investments are carried at the lower of cost and fair value and provision is made to recognize any decline in the carrying value.

**f. Revenue recognition**

Revenue is recognized when no significant uncertainty as to its determination or realization exists.

Dividend income is accounted for when the right to receive the same is established unconditionally as at the balance sheet date.

**g. Other income**

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**h. Foreign currency transactions**

**Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent Recognition**

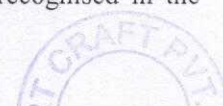
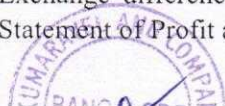
As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from April 1, 2011 onwards, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.



**Smart Craft Private Limited**  
**Notes forming part of financial statements**  
**All Figure in Rupees**

**i. Current and deferred tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**j. Provisions and contingent liabilities**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. **Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**k. Cash and cash equivalents**

In the cash flow statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.



**Smart Craft Private Limited**  
**Notes forming part of financial statements**  
**All Figure in Rupees**

**1. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



**SMART CRAFT PRIVATE LIMITED**  
Notes forming part of the Financial Statements

**3 Share capital**

(Amount in Rs, unless otherwise stated)

	As at		
	Numbers	31-Mar-20	31-Mar-19
<b>Authorized</b>			
Equity shares of Rs.10 each	100,000	1,000,000	1,000,000
<b>Issued, Subscribed &amp; Paid up</b>			
Equity shares of Rs.10 each	100,000	1,000,000	1,000,000
<b>Total</b>	<b>100,000</b>	<b>1,000,000</b>	<b>1,000,000</b>

i. The Company has only one class of equity shares having a par value of Rs.10/-

ii. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

iii. In the event of liquidation, the of equity shareholders will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**iv. Reconciliation of the shares outstanding at the beginning and at the end of reporting period**

Particulars	31-Mar-20		31-Mar-19	
	Numbers	Amount	Numbers	Amount
Opening balance	100,000	1,000,000	100,000	1,000,000
Shares Issued during period	-	-	-	-
Closing Balance at the end of the period	100,000	1,000,000	100,000	1,000,000

**v. Share holders with holding of more than 5 %**

Particulars	As at		
	31-Mar-20	31-Mar-19	% Holding
V. Srinivasan	No. of Shares	No. of Shares	% Holding
Aishwarya Arvind	65,000	65,000	65.00%
Lakshmi Kaushik	15,000	15,000	15.00%
Mythili Srinivasan	14,990	14,990	14.99%
	5,000	5,000	5.00%

vi. The Company has not issued any shares for consideration other than cash



**SMART CRAFT PRIVATE LIMITED**

Notes forming part of the Financial Statements

	March 31, 2020	March 31, 2019
<b>4 Reserves and surplus</b>		
<b>A. Surplus</b>		
Opening balance	(1,576,246)	(1,244,152)
(+) Net Profit/(Net Loss) for the year	-12,058,998	-332,094
Closing Balance at the end of the year	<u>(13,635,244)</u>	<u>(1,576,246)</u>
<b>5 Short-term borrowings</b>		
Loan from directors	28,580,589	25,580,589
	<u>28,580,589</u>	<u>25,580,589</u>
<b>6 Trade payables</b>		
-Other than Micro & Small Enterprises ( Refer note no 32)	5,963,733	993,640
	<u>5,963,733</u>	<u>993,640</u>
<b>7 Other Current Liabilities</b>		
Statutory liabilities	55,394	119,904
Profession tax payable	-	1,000
Other Payables	6,411	-
	<u>61,805</u>	<u>120,904</u>
<b>8 Short-term provisions</b>		
a. Provision for employee benefits		
Salaries and allowances payable	-	-
b. Others		
Provision for expenses	119,597	4,226,194
Provision for audit fee	150,000	150,000
Provision for Taxation	-	122,431
Less: MAT Credit Utilised	-	-122,431
	<u>269,597</u>	<u>4,376,194</u>



**Smart Craft Private Limited**

Notes Forming Part of Financial statements

(Amount in Rs.)

**9 Tangible assets**

Particulars	Gross Block			Depreciation			Net Block	
	April 01, 2019	Additions	Deductions	March 31, 2020	April 01, 2019	For the Year	March 31, 2020	March 31, 2019
<b>Tangible Assets</b>								
Furniture & Fittings	9,477,560	190,980	-	9,668,540	4,474,172	896,907	5,371,079	5,003,388
Office Equipment's	492,302	12,288	-	504,590	332,379	46,325	378,704	159,922
Computers & Printers	909,730	-	-	909,730	777,930	36,175	814,105	131,800
Leasehold Improvements	1,895,366	-	-	1,895,366	1,465,043	208,197	1,673,240	430,323
<b>Total</b>	<b>12,774,958</b>	<b>203,268</b>	<b>-</b>	<b>12,978,226</b>	<b>7,049,524</b>	<b>1,187,604</b>	<b>8,237,128</b>	<b>5,725,434</b>
<b>Previous Year</b>	<b>12,410,971</b>	<b>363,987</b>	<b>-</b>	<b>12,774,958</b>	<b>5,896,416</b>	<b>1,153,108</b>	<b>7,049,524</b>	<b>6,514,555</b>

**10 Intangible Assets**

Particulars	Gross Block			Depreciation			Net Block	
	April 01, 2019	Additions	Deductions	March 31, 2020	April 01, 2019	For the Year	March 31, 2020	March 31, 2019
<b>Intangible Assets</b>								
Brand	561,080	-	-	561,080	561,080	-	561,080	0
Computer software	30,514	-	-	30,514	13,432	2,899	16,331	17,082
<b>Total</b>	<b>591,594</b>	<b>-</b>	<b>-</b>	<b>591,594</b>	<b>574,512</b>	<b>2,899</b>	<b>577,411</b>	<b>17,082</b>
<b>Previous Year</b>	<b>591,594</b>	<b>-</b>	<b>-</b>	<b>591,594</b>	<b>571,613</b>	<b>2,899</b>	<b>574,512</b>	<b>19,981</b>



**SMART CRAFT PRIVATE LIMITED**  
Notes forming part of the Financial Statements

	As at March 31, 2020	As at March 31, 2019
<b>11 Deferred tax Assets (Net)</b>		
Impact of difference between tax depreciation and depreciation charged for the financial reporting period	457,260	421,940
Other timing difference	67,080	176,570
	<u>524,340</u>	<u>598,510</u>
<b>12 Long-term loans and advances (Unsecured, considered good)</b>		
Security deposits	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<b>13 Inventory</b>		
Trading goods	5,949,928	6,408,407
	<u>5,949,928</u>	<u>6,408,407</u>
<b>14 Trade Receivables (Unsecured, considered good)</b>		
Outstanding for a period more than six months from the date they are due for payment	703,314	10,103,126
Other trade receivables	703,314	10,103,126
	<u>703,314</u>	<u>10,103,126</u>
<b>15 Cash and cash equivalents</b>		
Cash on hand	38,001	44,295
Balances with banks		
In current accounts	1,800,457	919,636
	<u>1,838,458</u>	<u>963,931</u>
<b>16 Short-term loans and advances</b>		
Advance income tax (net of provisions)	-	243,641
MAT credit entitlement	1,080,345	1,080,345
Advances to employees	-	84,831
Advances to creditors	1,091,355	2,287,419
Balances with government authorities	5,258,060	1,040,148
Prepaid expenses	39,401	37,208
Security deposits	-	905,000
	<u>7,469,160</u>	<u>5,678,591</u>



**SMART CRAFT PRIVATE LIMITED**

Notes forming part of Financial Statements

	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>17 Other income</b>		
Interest on income tax refund	12,533	-
	<u>12,533</u>	<u>-</u>
<b>18 Operating Expenses</b>		
Packing charges	1,915,727	2,863,329
Transportation charges	15,036,091	11,055,689
Material import expenses	-	350,750
Courier charges	64,361	37,920
Technical expense	83,213	157,513
Bank commission and charges	96	46,063
	<u>17,099,487</u>	<u>14,511,264</u>
<b>19 Changes in inventories of stock-in-trade</b>		
Opening stock	6,408,407	5,029,743
Less : Closing stock	5,949,928	6,408,407
	<u>458,479</u>	<u>-1,378,664</u>
<b>20 Employee benefit expenses</b>		
Salaries and allowances	3,308,618	3,328,969
Incentives and bonus	825,076	845,267
Staff welfare expenses	35,056	188,840
	<u>4,168,750</u>	<u>4,363,076</u>
<b>21 Financial Costs</b>		
Interest on other payments	-	-
	<u>-</u>	<u>-</u>
<b>22 Depreciation and amortization expense</b>		
Depreciation on tangible assets	1,187,604	1,153,108
Amortization on intangible assets	2,899	2,899
	<u>1,190,503</u>	<u>1,156,007</u>
<b>23 Other Expenses</b>		
Rent	2,199,932	1,720,944
Rates & taxes	35,936	97,400
Repairs and maintenance	38,376	61,601
Communication expenses	-	32,242
Electricity	101,255	96,241
Insurance	37,948	50,051
Warehousing costs	449,478	419,879
Ecommerce commission	11,546,888	9,124,267
Advertisement and business promotion	2,203,499	1,469,380
Legal & professional fees	16,000	37,800
Travelling and conveyance	50,595	244,157
Printing and stationery	103,548	71,579
Auditors' remuneration:		
- Statutory audit fee	120,000	120,000
- Tax audit fee	30,000	30,000
Miscellaneous expenses	9,747	24,149
	<u>16,943,202</u>	<u>13,599,691</u>



**SMART CRAFT PRIVATE LIMITED**  
Notes forming part of Financial Statements

(Amount in Rs.)

	For the year ended	
	March 31, 2020	March 31, 2019
<b>24 Earnings per share</b>		
<b>Basic &amp; Diluted:</b>		
Profit after tax from continuing operations	A	
Weighted average number of shares outstanding	B	(332,094)
Basic & Diluted EPS	A/B	100,000
		(3.32)

25 The company does not have any employees qualifying for retiral benefits as at balance sheet date.

26 Considering the nature of Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Accounting Standard 17 'Segment Reporting' issued by the Companies (Accounts) Rules, 2014 and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.



27 Related party disclosures

A. Disclosure related to subsidiary and associate companies

(A.1) Particulars of subsidiary and associate companies :

SI No	Name of the company	Address	Relationship	% of shares held
1	M/s eMudhra Limited	#56, Sai Arcade, Deverabesenhalli, Bangalore, Karnataka	Associate	NA
2	M/s eMudhra Technology Limited	#56, Sai Arcade, Deverabesenhalli, Bangalore, Karnataka	Associate	NA
3	M/s Cedar Grove Real Estates Pvt Limited	#56, Sai Arcade, Deverabesenhalli, Bangalore, Karnataka	Associate	NA
4	M/s Bluesky Infotech	G-5, Arathi Apartments, No 150 Habibullah Road, T. Nagar Chennai 600017	Associate	NA

(A.2) Summary of transactions with subsidiary and associate companies:

SI No	Summary of Transactions	Mar-20	Mar-19
1	Sales of services	-	7,659,345
2	Sales of products	216,080	116,200
3	Purchase of products	(674,800)	(1,756,661)

(A.3) Detailed transaction / balances of subsidiary and associate companies:

SI No	Particulars	Transactions-Received (Paid)		Balances- Receivable(Payable)	
		Mar-20	Mar-19	Mar-20	Mar-19
1	Sales of services:				
	eMudhra Limited	-	579,345	-	-
	Bluesky Infotech	-	7,080,000	-	-
2	Sales of products:				
	eMudhra Limited	216,080	116,200		
3	Purchase of products:				
	Emudhra Limited	(674,800)	(1,756,661)	-	-

B. Disclosure related to director and key managerial personnel

(B.1) Particulars of director and key managerial personnel :

SI No	Key managerial personnel	Relationship
1	V. Srinivasan	Director
2	Kaushik Srinivasan	Director
3	Mythili Srinivasan	Director

(B.2) Summary of transactions director and key managerial personnel

SI No	Summary Transactions	Mar-20	Mar-19
1	Advances Paid/(received)(Net)	(3,000,000)	(5,500,000)
2	Salary and allowances paid	1,100,000	1,200,000

(B.3) Detailed transaction / balances of subsidiary and associate companies

SI No	Particulars	Transactions-Received (Paid)		Balances- Receivable(Payable)	
		Mar-20	Mar-19	Mar-20	Mar-19
1	Advances Paid/(received)(Net)				
	V. Srinivasan	(3,000,000)	(5,500,000)	(28,580,589)	(25,580,589)
2	Salary and allowances paid				
	Mythili Srinivasan	1,100,000	1,200,000	-	-

Note:

- The information disclosed above is based on the names of the parties as identified by the management, which has been relied upon by the auditors.
- The names of the related parties with whom the transaction has been carried out only has been reported.



**SMART CRAFT PRIVATE LIMITED**  
Notes forming part of Financial Statements

28 The company has no contingent liability as on March 31 2020 (Previous year Nil).

**29 Foreign Exchange Earnings / Expenses**

Foreign exchange earned  
Foreign exchange used

Year ended March 31, 2020	Year ended March 31, 2019
-	-
-	545,504

30 In the opinion of Board of Directors, current assets, loans and advances and other receivables are approximately of the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**31 Micro small and medium enterprises**

There are no micro, small and medium enterprises, to which the company owes dues, or with which the company had transactions during the period, based on the information available with the company, which has been relied upon by the auditors.


**32 Previous period figures**

The previous period figures have been reclassified to conform to this period classification.

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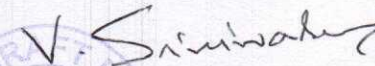
As per our report attached

For Kumaravel And Company  
Chartered Accountants  
Registration No. 014470S

  
Kumaravel D  
Proprietor  
Membership No.205710  
Bangalore |



For and on behalf of Board of Directors

  
V.Srinivasan  
Director  
DIN:0640646  
Bangalore |

  
Mythili Srinivasan  
Director  
DIN:02540606  
Bangalore |