



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 2019**, 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, 2019 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.



31, 8th Main Road, 2nd Cross, 2nd Block, Jayanagar, Bangalore-560 011
Mob: +91 9980585678, 9880166880 Email : kumaraveld@kandco.in



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 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;






KUMARAVEL AND COMPANY
CHARTERED ACCOUNTANTS

- (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
- (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
Place: Bengaluru
Date: 20.06.2019



SMART CRAFT PRIVATE LIMITED
Cash Flow Statement

(Amount In Rs.)

	For the year ended	
	March 31, 2019	March 31, 2018
Cash flow from operating activities		
Profit before tax	-4,45,611	12,03,569
Adjustments for :		
Depreciation	11,56,007	12,94,791
Interest income	-	(1,39,316)
Operating profit before working capital changes	7,10,396	23,59,044
Changes in Working Capital:		
(Increase)/decrease in inventories	(13,78,663)	(19,52,350)
(Increase)/decrease in in trade receivables	(77,29,934)	(3,66,600)
(Increase) in loans and advances	(18,98,411)	(21,99,565)
Increase/ (decrease) in current liabilities	41,08,556	5,69,014
Cash generated from operations	(61,88,056)	(15,90,458)
Direct taxes paid (net of refunds)	(1,22,431)	(1,54,713)
Net cash generated from operating activities	(63,10,487)	(17,45,171)
Cash flow from investing activities		
Purchase of tangible/intangible assets	(3,63,987)	(7,46,687)
Sale of tangible/intangible assets	-	-
Redemption of preference shares	-	20,00,000
Share application money pending allotment	-	(1,00,00,000)
Interest received	-	1,39,316
Net cash from / (used in) investing activities	(3,63,987)	(86,07,371)
Cash flow from financing activities		
Proceeds from short term borrowings	55,00,000	1,14,64,000
Net cash from / (used in) financing activities	55,00,000	1,14,64,000
Net increase/decrease in Cash and Cash Equivalents	(11,74,474)	11,11,458
Cash and Cash Equivalents at the beginning of the period	21,38,405	10,26,947
Cash and Cash Equivalents at the end of the period	9,63,931	21,38,405
Cash and Cash Equivalents comprises of:		
Cash on Hand	44,295	21,276
Balance with Banks		
In current Accounts	9,19,636	21,17,129
Total	9,63,931	21,38,405

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

For and on behalf of Board of Directors

Kumaravel D
Proprietor
Membership No.205710
Bangalore | 20.06.2019

V.Srinivasan
Director
DIN:0640646
Bangalore | 20.06.2019

Mythili Srinivasan
Director
DIN:02540606
Bangalore | 20.06.2019



SMART CRAFT PRIVATE LIMITED
Balance Sheet

			(Amount in Rs.)
	Note	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,00,000	10,00,000
Reserves and surplus	4	(15,76,246)	(12,44,152)
		(5,76,246)	(2,44,152)
Share application money pending allotment			-
Current liabilities			
Short term borrowings	5	2,55,80,589	2,00,80,589
Trade Payables	6	9,93,640	5,56,794
Other current liabilities	7	1,20,904	3,28,801
Short-term provisions	8	43,76,194	4,96,587
		3,10,71,327	2,14,62,771
TOTAL		3,04,95,081	2,12,18,620
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	57,25,434	65,14,555
Intangible assets	10	17,082	19,981
		57,42,516	65,34,536
Deferred tax Assets (Net)	11	5,98,510	3,62,562
Long-term loans and advances	12	10,00,000	8,45,000
Current assets			
Inventory	13	64,08,407	50,29,743
Trade Receivables	14	1,01,03,126	23,73,192
Cash and cash equivalents	15	9,63,931	21,38,405
Short-term loans and advances	16	56,78,591	39,35,181
		2,31,54,055	1,34,76,521
TOTAL		3,04,95,081	2,12,18,620

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 | 20.06.2019



For and on behalf of Board of Directors

V. Srinivasan
Director
DIN:0640646
Bangalore | 20.06.2019

S. Mythili
Mythili Srinivasan
Director
DIN:02540606
Bangalore | 20.06.2019



SMART CRAFT PRIVATE LIMITED
Statement of Profit and Loss

		(Amount in Rs.)	
		For the year ended	
Note	March 31, 2019	March 31, 2018	
Revenue from operation	7,78,74,939	4,37,58,324	
Other Income	17 -	3,98,519	
	<u>7,78,74,939</u>	<u>4,41,56,843</u>	
Expenses			
Operating Expenses	18 2,36,35,531	1,07,53,157	
Purchases of stock-in-trade	4,60,69,177	2,20,39,128	
Changes in inventories of stock-in-trade	19 (13,78,664)	(19,52,349)	
Employee Benefit Expense	20 43,63,076	34,08,772	
Financial Costs	21 -	67,685	
Depreciation and amortization expense	22 11,56,007	12,94,791	
Other Expenses	23 44,75,424	73,42,090	
Total	<u>7,83,20,550</u>	<u>4,29,53,275</u>	
Profit (loss) before tax	-4,45,611	12,03,569	
Tax Expenses			
- Current tax	1,22,431	2,29,340	
- MAT credit	-	(74,627)	
Net Current Tax	<u>1,22,431</u>	<u>1,54,713</u>	
- Deferred tax expense	<u>(2,35,948)</u>	<u>1,73,000</u>	
	(1,13,517)	3,27,713	
Profit (Loss) for the period	(3,32,094)	8,75,855	
Earnings Per Equity share: (Face Value:Rs.10) (2016:Rs.10)	24		
Basic & Diluted	-3.32	8.76	

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

For and on behalf of Board of Directors

Kumaravel D
Proprietor
Membership No.205710
Bangalore | 20.06.2019

V. Srinivasan
Director
DIN:0640646
Bangalore | 20.06.2019

Mythili Srinivasan
Director
DIN:02540606
Bangalore | 20.06.2019



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

(Amount in Rs, unless otherwise stated)

3 Share capital

	As at			
	Numbers	31-Mar-19	Numbers	31-Mar-18
Authorized				
Equity shares of Rs.10 each	1,00,000	10,00,000	1,00,000	10,00,000
Issued, Subscribed & Paid up				
Equity shares of Rs.10 each	1,00,000	10,00,000	1,00,000	10,00,000
Total	1,00,000	10,00,000	1,00,000	10,00,000

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-19		31-Mar-18	
	Numbers	Amount	Numbers	Amount
Opening balance	1,00,000	10,00,000	1,00,000	10,00,000
Shares Issued during period	-	-	-	-
Closing Balance at the end of the period	1,00,000	10,00,000	1,00,000	10,00,000

v. Share holders with holding of more than 5 %

Particulars	31-Mar-19		31-Mar-18	
	No. of Shares	% Holding	No. of Shares	% Holding
V. Srinivasan	65,000	65.00%	65,000	65.00%
Aishwarya Arvind	15,000	15.00%	15,000	15.00%
Lakshmi Kaushik	14,990	14.99%	14,990	14.99%
Mythili Srinivasan	5,000	5.00%	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, 2019	March 31, 2018
4 Reserves and surplus		
A. Surplus		
Opening balance	(12,44,152)	(21,20,007)
(+) Net Profit/(Net Loss) for the year	-3,32,094	8,75,855
Closing Balance at the end of the year	<u>(15,76,246)</u>	<u>(12,44,152)</u>
5 Short-term borrowings		
Loan from directors	<u>2,55,80,589</u>	<u>2,00,80,589</u>
	2,55,80,589	2,00,80,589
6 Trade payables		
-Other than Micro & Small Enterprises (Refer note no 32)	<u>9,93,640</u>	<u>5,56,794</u>
	9,93,640	5,56,794
7 Other Current Liabilities		
Statutory liabilities	1,19,904	3,28,001
Profession tax payable	<u>1,000</u>	<u>800</u>
	1,20,904	3,28,801
8 Short-term provisions		
a. Provision for employee benefits		
Salaries and allowances payable	-	-
b. Others		
Provision for expenses	42,26,194	3,46,587
Provision for audit fee	1,50,000	1,50,000
Provision for Taxation	1,22,431	-
Less: MAT Credit Utilised	<u>-1,22,431</u>	<u>-</u>
	43,76,194	4,96,587



9 Tangible assets

Particulars	Gross Block			Depreciation			Net Block	
	April 01, 2018	Additions	Deductions	March 31, 2019	April 01, 2018	For the Year	March 31, 2019	March 31, 2018
Tangible Assets								
Furniture & Fittings	92,64,540	2,13,020	-	94,77,560	36,14,569	8,59,603	44,74,172	56,49,971
Office Equipment's	4,16,431	75,871	-	4,92,302	2,77,304	55,075	3,32,379	1,39,126
Computers & Printers	8,34,634	75,096	-	9,09,730	7,49,875	28,055	7,77,930	84,759
Leasehold Improvements	18,95,366	-	-	18,95,366	12,54,668	2,10,375	14,65,043	6,40,698
Total	1,24,10,971	3,63,987	-	1,27,74,958	58,96,416	11,53,108	70,49,524	65,14,555
Previous Year	1,16,64,284	7,46,687	-	1,24,10,971	46,38,870	12,57,546	58,96,416	70,25,414

10 Intangible Assets

Particulars	Gross Block			Depreciation			Net Block	
	April 01, 2018	Additions	Deductions	March 31, 2019	April 01, 2018	For the Year	March 31, 2019	March 31, 2018
Intangible Assets								
Brand	5,61,080	-	-	5,61,080	5,61,080	-	5,61,080	0
Computer software	30,514	-	-	30,514	10,533	2,899	13,432	19,981
Total	5,91,594	-	-	5,91,594	5,71,613	2,899	5,74,512	19,981
Previous Year	5,91,594	-	-	5,91,594	5,34,368	37,245	5,71,613	57,226



SMART CRAFT PRIVATE LIMITED

Notes forming part of the Financial Statements

	As at March 31, 2019	(Amount in Rs.) As at March 31, 2018
11 Deferred tax Assets (Net)		
Impact of difference between tax depreciation and depreciation charged for the financial reporting period	4,21,940	3,40,980
Other timing difference	1,76,570	21,582
	<u>5,98,510</u>	<u>3,62,562</u>
12 Long-term loans and advances (Unsecured, considered good)		
Security Deposits	10,00,000	8,45,000
	<u>10,00,000</u>	<u>8,45,000</u>
13 Inventory		
Trading Goods	64,08,407	50,29,743
	<u>64,08,407</u>	<u>50,29,743</u>
14 Trade Receivables (Unsecured, considered good)		
Outstanding for a period more than six months from the date they are due for payment		-
Other trade receivables	1,01,03,126	23,73,192
	<u>1,01,03,126</u>	<u>23,73,192</u>
15 Cash and cash equivalents		
Cash on hand	44,295	21,276
Balances with banks		
In current accounts	9,19,636	21,17,129
	<u>9,63,931</u>	<u>21,38,405</u>
16 Short-term loans and advances		
Advance income tax (Net of Provisions)	2,43,641	91,251
MAT Credit Entitlement	10,80,345	12,02,776
Advances to employees	84,831	-
Advances to Creditors	22,87,419	14,51,538
Balances with government authorities	10,40,148	7,87,144
Prepaid expenses	37,208	4,02,472
Security Deposits	9,05,000	
	<u>56,78,591</u>	<u>39,35,181</u>



SMART CRAFT PRIVATE LIMITED
Notes forming part of Financial Statements

	For the year ended March 31, 2019	For the year ended March 31, 2018
17 Other income		
Interest on Fixed deposit	-	1,39,316
Interest on IT Refund	-	37,926
Dividend Income	-	77,424
Miscellaneous Income	-	16,000
Creditor no longer required written back	-	1,27,853
	<u>-</u>	<u>3,98,519</u>
18 Operating Expenses		
Ecommerce Commission	91,24,267	9,97,704
Packing Charges	28,63,329	12,49,162
Transportation Charges	1,10,55,689	80,92,804
Material import expenses	3,50,750	1,13,043
Courier Charges	37,920	1,09,427
Technical Expense	1,57,513	1,71,252
Bank commission and charges	46,063	19,764
	<u>2,36,35,531</u>	<u>1,07,53,157</u>
19 Changes in inventories of stock-in-trade		
Opening Stock	50,29,743	30,77,393
Less : Closing Stock	64,08,407	50,29,743
	<u>-13,78,664</u>	<u>-19,52,349</u>
20 Employee benefit expenses		
Salaries and allowances	33,28,969	29,36,964
Incentives and bonus	8,45,267	4,01,964
Staff welfare Expenses	1,88,840	69,844
	<u>43,63,076</u>	<u>34,08,772</u>
21 Financial Costs		
Interest on other payments	-	67,685
	<u>-</u>	<u>67,685</u>
22 Depreciation and amortization expense		
Depreciation on tangible assets	11,53,108	12,57,546
Amortization on intangible assets	2,899	37,245
	<u>11,56,007</u>	<u>12,94,791</u>
23 Other Expenses		
Rent	17,20,944	13,65,020
Rates & taxes	97,400	3,04,036
Repairs and maintenance	61,601	3,61,356
Communication Expenses	32,242	25,580
Electricity	96,241	1,11,563
Insurance	50,051	24,151
Warehousing Costs	4,19,879	11,40,934
Advertisements and business promotion	14,69,380	1,50,070
Legal & Professional Fees	37,800	34,67,393
Travelling and conveyance	2,44,157	35,418
Printing & Stationery	71,579	1,35,666
Auditors' remuneration:		
- Statutory Audit fee	1,20,000	1,20,000
- Tax Audit fee	30,000	30,000
Bad debts written off	-	-
Loss on sale of assets	-	-
Miscellaneous expenses	24,149	70,904
	<u>44,75,424</u>	<u>73,42,090</u>



SMART CRAFT PRIVATE LIMITED
Notes forming part of Financial Statements

(Amount in Rs.)

	For the year ended	
	March 31, 2019	March 31, 2018
24 Earnings per share		
Basic & Diluted:		
Profit after tax from continuing operations	A	8,75,855
Weighted average number of shares outstanding	B	1,00,000
Basic & Diluted EPS	A/B	8.76

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.



SMART CRAFT PRIVATE LIMITED
Notes forming part of 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-19	Mar-18
1	Sales of services	76,59,345	1,60,52,576
2	Sales of products	1,16,200	-
3	Receiving of services	-	25,38,000
4	Purchase of products	(17,56,661)	(53,48,012)
5	Share application pending allotment	-	(1,00,00,000)
6	Redemption of investment in Preference shares	-	(20,00,000)

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

SI No	Particulars	Transactions-Received (Paid)		Balances- Receivable(Payable)	
		Mar-19	Mar-18	Mar-19	Mar-18
1	Sales of services:				
	eMudhra Limited	5,79,345	1,60,52,576	-	-
	Bluesky Infotech	70,80,000	-	-	-
2	Sales of products:				
	eMudhra Limited	1,16,200	-		
2	Purchase of products:				
	Emudhra Limited	(17,56,661)	(50,78,823)	-	-
	Bluesky Infotech	-	(2,69,189)	-	-
3	Receiving of services:				
	Emudhra Technology Limited	-	25,38,000	-	-
4	Share application pending allotment				
	Cedar Grove Real Estates Pvt Limited	-	(1,00,00,000)	-	-
5	Redemption of investment in Preference shares				
	Emudhra Limited	-	(20,00,000)	-	-

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	Chairman and director
2	Kaushik Srinivasan	Director
3	Mythili Srinivasan	Director



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

Sl No	Summary Transactions	Mar-19	Mar-18
1	Advances Paid/(received)(Net)	(55,00,000)	(1,14,64,000)
2	Salary and allowances paid	12,00,000	12,00,000

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

Sl No	Particulars	Transactions-Received (Paid)		Balances- Receivable(Payable)	
		Mar-19	Mar-18	Mar-19	Mar-18
1	Advances Paid/(received)(Net)				
	V. Srinivasan	(55,00,000)	(1,14,64,000)	(2,55,80,589)	(2,00,80,589)
2	Salary and allowances paid				
	Mythili Srinivasan	12,00,000	12,00,000	-	-

Note:

1. 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.
2. 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 2019, (Previous year Nil).

29 Foreign Exchange Earnings / Expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Foreign exchange earned	-	-
Foreign exchange used	5,45,504	24,46,905.90

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.

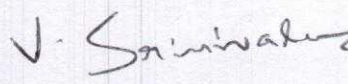
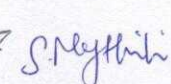
As per our report attached

For Kumaravel And Company
Chartered Accountants
Registration No. 014470S


Kumaravel D
Proprietor
Membership No.205710
Bangalore | 20.06.2019



For and on behalf of Board of Directors

V.Srinivasan
Director
DIN:0640646
Bangalore | 20.06.2019

Mythili Srinivasan
Director
DIN:02540606
Bangalore | 20.06.2019

