



PANDHARE & CO
CHARTERED ACCOUNTANTS

SVS sourcing Private Limited
Arth-Shilp 594-A, South Kasba
Near Date Ganpati Temple, Navi Peth
Solapur - 413007
Office@capandhare.co.in
Phone : (0217) - 2622370 / 2724945

INDEPENDENT AUDITOR'S REPORT

To the Members of SVS sourcing Private Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of SVS sourcing Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the Statement of Profit and Loss, 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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/loss, changes in equity 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 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding



- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid standalone 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) the Company does not have any pending litigations which would impact its financial position.
 - 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.

Place: Solapur

For,

PANDHARE AND COMPANY
CHARTERED ACCOUNTANTS



Date: 02.10.2020

S. B. Pandhare

Chartered Accountant

Partner, M. No.: 016834

Firm Reg. No: 107292W

UDIN: 20016834AAAABF2431



of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's 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.

Report on Other Legal and Regulatory Requirements

As required by 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, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books



ANNEXURE " A " TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SVS SOURCING PRIVATE LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

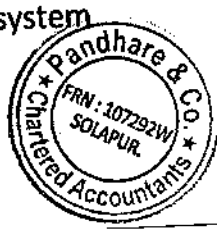
We have audited the internal financial controls over financial reporting of SVS Sourcing Private Limited. ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted Our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system



over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2020**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **PANDHARE AND COMPANY**
Firm Reg. No: 107292W
CHARTERED ACCOUNTANTS

Place: Solapur
Date: 02.10.2020

S. B. Pandhare
Partner, M. No.: 016834
UDIN: 20016834AAAABF2431



ANNEXURE "B" INDEPENDENT AUDITOR'S REPORT

Statement referred to in our Audit Report of even date to the Members of SVS Sourcing Private Limited on the financial statements for the year ended 31st March 2020, we report that,

1. The company is in the process of maintaining proper record showing full particulars including quantitative details and situation of fixed assets.(Para 3 (i)(a))

As explained to us, the physical verification of major portion of fixed asset as on 31.03.2020 was conducted by the management during the year. In our opinion, the frequency of verification is reasonable. Having regard to the size of operation of the company and the basis of explanation received, in our opinion, the net difference found on physical verification was not significant. (Para 3 (i)(b))

Based on our scrutiny of company's record, the title deeds of immovable properties are held in the name of the company.(Para 3 (i)(c))

2. Physical verification of inventory have been conducted by management at reasonable intervals. The discrepancies noticed on physical verification of stock as compared to book records, were not material and have been properly dealt within the books of accounts. (Para 3 (ii))
3. the company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013. Hence clause 3 (iii)(a),(b),(c) not applicable.
4. In our opinion and according to the information and explanations given to us, company has not granted the loans , made investment or provided any guarantee or security during the year. Hence clause (Clause 3 (iv)) was not applicable.
5. Based on our scrutiny of company's record and according to information and explanation provided by the management, in our opinion, the company has not accepted any deposit as per provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.(Clause 3 (v))



13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec. 177 & Section 188 of the Act, where applicable and the details have been disclosed is given in the financial statement (Clause 3 (xiii))
14. According, to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. (Clause 3 (xiv))
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with director. (Clause 3 (xv))
16. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. (Clause 3 (xvi))

For, PANDHARE AND COMPANY
CHARTERED ACCOUNTANTS

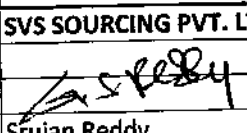
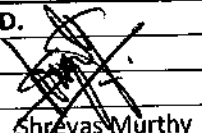
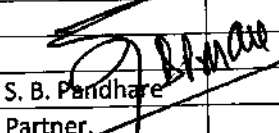


S. B. Pandhare
Partner, M. No: 016834
FRN: 107292W
UDIN: 20016834AAAABF2431

Place: Solapur
Date: 02.10.2020



SVS SOURCING PVT. LTD.				
Flat No. 11, Vandana Society, Hotgi road, Solapur -413003				
BALANCE SHEET AS AT 31.03.2020				
Sr. No.	Particulars	Note	31.03.2020 Rs.	31.03.2019 Rs.
A.	EQUITY AND LIABILITIES			
1	Share Holder's Funds			
a)	Share Capital	1	42,00,000	12,00,000
b)	Reserves and Surplus	2	1,20,53,584	18,35,997
c)	Money received against share warrants		0	0
	Sub Total:		1,62,53,584	30,35,997
2	Share Application Money pending for Allotment			
3	Non Current Liabilities			
a)	Long Term Borrowings	3	1,58,49,669	1,16,78,942
b)	Deferred Tax Liabilities		0	0
c)	Other Long-term liabilities		0	0
d)	Long term provisions		0	0
4	Current Liabilities			
a)	Short Term Borrowings	4	1,85,98,324	0
b)	Trade Payables	5	7,97,90,904	4,72,62,401
c)	Other Current Liabilities	6	3,68,396	3,83,424
d)	Short Term Provisions	7	3,19,161	2,04,846
	Sub Total:		11,49,26,454	5,95,29,613
	Grand Total:		13,11,80,037	6,25,65,611
B	ASSETS			
1	Non Current Assets			
a)	Fixed Assets			
i.	Tangible Assets	8	75,414	5,252
ii.	Intangible Assets		0	0
iii.	Capital Work-in-progress		0	0
iv.	Intangible assets under development		0	0
	Sub Total:		75,414	5,252
b)	Non Current Investments		0	0
c)	Deferred Tax Assets (Net)		2,632	78
d)	Long-term loans and advances	12	2,10,000	0
e)	Other non-current assets		0	0
	Sub Total:		2,12,632	78
2	Current Assets			
a)	Current Investments		0	0
b)	Inventories		20,56,101	2,11,502
c)	Trade Receivables		12,82,39,253	6,03,67,091
d)	Cash and Cash Equivalents	9	5,07,272	19,07,709
e)	Short Term Loans and Advances	10	21,000	0
g)	Other Current Assets	11	68,365	73,980
	Sub Total:		13,08,91,991	6,25,60,282
	TOTAL:		13,11,80,037	6,25,65,611
SVS SOURCING PVT. LTD.			For, PANDHARE AND COMPANY	
Srujan Reddy			CHARTERED ACCOUNTANTS	
(Director)			S. B. Pandhare	
DIN:03144985			Partner,	
Place: Solapur			M. No: 016834	
Date: 02.10.2020			FRN: 107292W	
			UDIN: 20016834AAAA8F2431	

SVS SOURCING PVT. LTD.				
Flat No. 11, Vandana Society, Hotgi road, Solapur -413003				
PROFIT AND LOSS ACCOUNT FOR THE PERIOD 01.04.19 TO 31.03.2020				
Sr. No.	Particulars	Note	31.03.2020	31.03.2019
A.	REVENUE FROM OPERATIONS (GROSS)		29,75,28,232	8,40,52,763
	Less: Sales to branch		(3,22,140)	(9,71,022)
	Revenue from operations (net)		29,72,06,092	8,30,81,741
B.	OTHER INCOME			
	Other Income	17	2,01,268	13,594
	Total:		29,74,07,360	8,30,95,335
C.	EXPENSES			
a.	Cost of materials consumed			
b.	Purchases of stock-in-trade		26,96,45,368	7,69,76,901
	Less: Purchases from branch		(3,22,140)	(9,71,022)
	Total:		26,93,23,228	7,60,05,879
c.	Changes in inventories of finished goods, work-in-progress and Stock-in-trade	13	(18,44,601)	(2,11,501)
d.	Employee benefits expense	14	27,79,238	5,47,411
e.	Finance costs	15	34,01,702	1,45,499
f.	Depreciation and amortisation expense	8	38,414	748
g.	Other expenses	16	99,44,346	41,21,380
	Total:		28,36,42,327	8,06,09,416
D.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		1,37,65,033	24,85,919
E.	EXCEPTIONAL ITEMS		0	0
G.	PROFIT BEFORE EXTRAORDINARY ITEMS		1,37,65,033	24,85,919
H.	EXTRAORDINARY ITEMS		0	0
I.	PROFIT BEFORE TAXES		1,37,65,033	24,85,919
J.	TAXES			
	Current Tax		35,50,000	6,50,000
	Deferred Tax Asset		(2,554)	(78)
K.	PROFIT FROM REVENUE OPERATIONS:		1,02,17,587	18,35,997
L.	Earnings per share :			
	(a) Basic		243	153
	(b) Diluted			
	See accompanying notes forming part of the financial statements			
SVS SOURCING PVT. LTD.		For, PANDHARE AND COMPANY CHARTERED ACCOUNTANTS		
				
	Srujan Reddy	Shreyas Murthy	S. B. Pandhare	
	(Director)	(Director)	Partner	
	DIN:03144985	DIN: 08121404	M. No: 016834	
	Place: Solapur		FRN: 107292W	
	Date: 02.10.2020		UDIN: 20016834AAAABF2431	

SVS SOURCING PVT. LTD.			
SCHEDULE OF BALANCE SHEET			
Sr. No.	Particulars	31.03.2020	31.03.2019
	NOTE: 1		
	SHARE CAPITAL		
a.	Authorised Share Capital		
	Equity shares of Rs.100 each	42,00,000	12,00,000
	Sub-Total:	42,00,000	12,00,000
b.	Issued Share Capital		
	Equity shares of Rs.100 each fully paid up	42,00,000	12,00,000
	Sub-Total:	42,00,000	12,00,000
c.	Subscribed and paid up capital		
	Equity Shares of Rs. 100 each	42,00,000	12,00,000
	Total:	42,00,000	12,00,000
	<i>(Refer Note 1.1 for Disclosure to Schedule - III)</i>		
	NOTE: 2		
	RESERVES AND SURPLUS		
	Net Profit as per Statement of Profit & Loss		
	Opening Balance	18,35,997	-
	Add :Current Year Profit	1,02,17,587	18,35,997
	Total:	1,20,53,584	18,35,997
	<i>(Refer Note 2.01 for Disclosure to Schedule - III)</i>		
	NOTE: 3		
	LONG TERM BORROWINGS		
1	<u>Loans and Advances from related parties</u>		
	<u>Unsecured</u>		
a.	D Tanmay Reddy	50,00,000	1,16,26,548
b.	D Vandana Reddy	50,00,000	-
c.	Shriniwas Murthy	50,00,000	-
d.	Swarupa Mutthyam Reddy	6,00,000	-
e.	Shri. Shreyas S Murthy	2,49,669	52,394
	Total:	1,58,49,669	1,16,78,942
	NOTE:4		
	SHORT TERM BORROWING		
a.	HDFC Cash Credit Loan	1,85,98,324	-
	Total:	1,85,98,324	-
	NOTE:5		
	TRADE PAYABLES		
a.	Acceptances	7,97,93,904	4,72,62,401
b.	Other than Acceptances	-	-
	Total:	7,97,93,904	4,72,62,401

SVS SOURCING PVT. LTD.			
SCHEDULE OF BALANCE SHEET			
Sr. No.	Particulars	31.03.2020	31.03.2019
	NOTE: 6		
	OTHER CURRENT LIABILITIES		
	Other Payables		
	<u>Statutory remittances</u>		
a.	TDS Payable	57,578	1,14,882
b.	GST Payable	3,09,418	2,53,242
c.	Professional Tax Payable	1,400	15,300
	Total (a+b+c):	3,68,396	3,83,424
	NOTE: 7		
	SHORT TERM PROVISIONS		
	<u>Provision for employee benefits:</u>		
a.	Salary payable	28,000	3,05,000
	<u>Other Provision</u>		
a	Audit Fees payable	50,000	50,000
b	Electricity Charges Payable	2,013	-
c	Loading and Unloading Charges payable	16,000	-
d	<u>Income Tax Payable:</u>		
i	Advance Tax FY 19-20	(32,00,000)	(8,00,000)
ii	Advance Income Tax FY 2018-19	(1,21,108)	-
iii	TDS Receivable	(5,744)	(154)
iv	Less: Provision for Tax	35,50,000	6,50,000
	Income Tax Payable	2,23,148	(1,50,154)
	Total:	3,19,161	2,04,846
	NOTE: 9		
	CASH AND CASH EQUIVAL.		
a.	Cash on hand	76,427	3,29,462
b.	<u>Bank Accounts</u>		
i.	Bank of Barod A/c- 45260200000135	4,30,845	15,78,247
	Total(b):	4,30,845	15,78,247
	Total (a+b):	5,07,272	19,07,709
	NOTE: 10		
	SHORT TERM LOANS AND ADVANCES		
	<u>Loans and advances to employees</u>		
a	Unsecured, considered good	21,000	-
	Total (a+b+c):	21,000	-



SVS SOURCING PVT. LTD.			
SCHEDULE OF BALANCE SHEET			
Sr. No.	Particulars	31.03.2020	31.03.2019
	NOTE: 11		
	OTHER CURRENT ASSETS		
	SMC Municipal Tax Receivable		
	<u>Unamortised expenses</u>		
a.	Prepaid Insurance	13,879	-
b.	Preliminary exp	54,486	73,980
	Total:	68,365	73,980
	LONG TERM LOANS AND ADVANCES		
a	<u>Security Deposits</u>		
	Unsecured, considered good	2,10,000	0
	Godown Deposit		0
	Total (a+b+c):	2,10,000	0
	For, SVS Sourcing Pvt. Ltd.		
	Place: Solapur		
	Date: 02.10.2020		
	(Managing Director)		(Director)



SVS SOURCING PVT. LTD.			
SCHEDULE OF PROFIT AND LOSS ACCOUNT			
Sr. No.	Particulars	31.03.2020	31.03.2019
	NOTE:13		
	CHANGES IN INVENTORY		
1	Opening Stock of Inventory	2,11,501	0
2	Less: Closing Stock of Inventory	20,56,102	2,11,501
3	Changes in inventory	(18,44,601)	(2,11,501)
	NOTE:14		
	EMPLOYEE BENEFITS EXPENSES		
1	Salaries and wages to staff	9,54,716	5,04,000
2	Bonus expenses	1,43,400	0
3	Salary to Directors	15,40,000	0
4	Staff Welfare Expenses	1,41,122	43,411
	Total:	27,79,238	5,47,411
	NOTE:15		
	FINANCIAL COST		
1	Interest on Unsecured Loan	16,63,918	1,43,271
2	Interest on Cash Credit Loan	11,77,976	0
3	Bank Charges	2,29,308	2,228
4	Stamp Duty on approval of cash credit loan	3,30,500	0
	Total:	34,01,702	1,45,499
	NOTE:16		
	OTHER EXPENDITURE		
	Direct Expense	64,89,166	10,67,877
1	Loss of Goods	-	22,601
2	Carriage Inward	3,09,450	23,280
3	Insurance Expenses	9,888	5,900
4	LC Opening charges	38,070	-
5	Loading & Unloading Charges	2,17,909	3,540
6	Transportation Charges	1,24,085	-
7	Carriage Outward	57,89,764	10,12,556
	Administrative Exp	21,04,417	9,16,138
1	Consultant Exp	4,20,000	2,262
2	Conveyance Expenses	2,05,570	18,920
3	Discount Paid	-	1,50,000
4	Filing Fees	1,58,400	11,770
5	Legal & Professional Exps	27,000	2,514
6	Professional Tax	22,525	5,500
7	Professional Tax Late payment fees	-	9,800
8	Office & General Expenses	47,444	1,600
9	Telephone Charges	19,586	-
10	Office Rent	4,28,008	1,77,000
11	Post & Telegraphs	16,953	2,325
12	Printing & Stationery	23,793	13,528
13	Registration & Renewal	-	9,500
14	Repairs & Main Computers	17,164	22,542
15	Rep & Maint Computer	4,850	17,376

Sr. No.	Particulars	31.03.2020	31.03.2019
16	Security Expenses	5,49,000	4,02,000
17	Packing and Forwarding	1,800	-
18	Preliminary Expenses Written off	19,495	19,495
19	Rate Difference	30,000	-
20	Rent, Rand Taxes	5,900	6
21	Miscellaneous Expenses	13,814	0
22	Interest on TDS	525	0
23	Interest on Income Tax	28,890	0
24	Debtors Written Off	13,700	0
	Payments to auditors		
a	As auditors - statutory audit	50,000	50,000
b	For taxation matters	0	0
c	For company law matters	0	0
d	For management services	0	0
	Selling and distributon Exp	13,50,763	21,37,365
1	Sales Promotion Expenses	5,37,362	7,500
2	Traveling Expenses	3,37,417	1,51,020
3	Advertisement Expense	53,009	-
4	Commission On Sales	4,22,975	19,78,845
	Total	99,44,346	41,21,380
	NOTE:17		
	OTHER INCOME		
1	Discount	22,429	0
2	Interest on FD	57,443	0
3	Storage Charges recovered	5,400	0
4	Round Off	1,226	0
5	Foreign Exchange Gain	1,11,770	0
6	Brokerage & Commission	3,000	0
	Total	2,01,268	-
	For, SVS Sourcing Pvt. Ltd.		
	<i>(Managing Director)</i>		<i>(Director)</i>
	Place: Solapur		
	Date: 02.10.2020		



NOTES TO THE ACCOUNTS

Disclosure to Schedule – III

1.00 SHARE CAPITAL:

- 1.01 Company has issued only one class of equity shares having par value of Rs. 100 each. Each share holder of the equity share entitled to one vote per share.
- 1.02 Company declares and pays dividend in Indian Rupee.
- 1.03 The dividend proposed by the Board of Director is subject to approval of the share holders in the ensuing General Meeting.
- 1.04 Reconciliation of shares outstanding at the beginning and end of the reporting period is as under:

(Rs. in lakhs)

Particulars	31.03.2020	
	No.	Rs. (in lakhs)
At the beginning	12,000	12.00
<u>Issued during the year</u>		
For cash	0	0
For other than cash	30,000	30.00
Outstanding at the end of the year	42,000	42.00

- 1.05 The company has not issued preference shares or right shares.
- 1.06 Details of share holders holding more than 5% shares in the company for the year ended 31.03.2020 is as under:

Sr. No.	Name of the Share Holder	31.03.2020		
		No. of Shares	%	Rs.
1	2	3	4	5
01.	G. Srujan Reddy	14,000	33.33	14,00,000
02.	Shreyas S. Murthy	10,496	24.99	10,49,600
03.	G. Tanmai Reddy	4,900	11.67	4,90,000
04.	G. Shritha Reddy	8,400	19.97	8,40,000
05.	D. Savita Reddy	42,00	9.99	4,20,000
	Total:	41,996	99.99	41,99,600



1.07 In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution / repayment of all preferential claimants and creditors. The distribution will be in the proportion to the number of equity shares held by the share holders.

1.08 There are no securities issued with conversion option into equity or preference shares.

1.09 Details of shares issued for the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

Sr. No.	Particulars	No. of Shares Allotted
1	2	3
01.	Shares allotted without payment being received in cash as on 31.03.20	NIL
02.	Shares allotted fully paid up by way of bonus	NIL
03.	Shares bought back	NIL

1.10 The company has not issued any securities convertible into any equity shares or preference shares.

1.11 There were no unpaid calls from others, directors and officers of the company on reporting date.

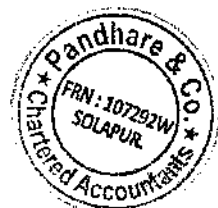
1.12 No shares were forfeited during the year.

RESERVES AND SURPLUS:

2.01 Company has not created capital reserve, redemption reserve, security premium reserve, debenture redemption reserve, revaluation reserve, shares option outstanding account or such other reserves.
Company has not received any Monies against share warrants or Share application money pending allotment.

3.00 LONG TERM BORROWINGS:

3.01 The long term borrowings consist of unsecured loan from Directors and their relative. Term of Repayment schedules are not defined, hence no default exist on balance sheet date.



3.02 Loan From HDFC Bank:

- Sanction Amount-
Cash Credit : Rs 7.00 crores
Letter of credit : Rs. 4.00 Crores

- **Security-**

- Primary Security: (i) Exclusive charge on Current Assets (Present and Future)
Of the company.
(ii) Exclusive charge on Residential Property worth Rs 30mn
To be provided by client in the name of the director.

Secondary Security: (i) Personal Guarantee by the Directors.

- **Guaranteed by Director-**

Mr Srujan Reddy
Mr Shreyas Murthy
Mr D Ram Reddy

- Term of the Loan- 1 Year
- Amount of default- Nil.

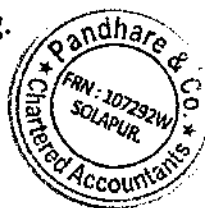
3.03 Company has not borrowed the funds in the form of bonds, debentures, deferred payment liabilities, deposit from other than directors and long term maturities of finance lease obligation.

4.00 OTHER CURRENT LIABILITIES:

4.01 There were no current maturity of finance lease obligation and during the year no application money is received. Further, unpaid matured deposits and interest thereon including debentures and other payables as on the date of Balance Sheet were NIL.

5.00 Long Term Loans and Advances:

5.01 Long term advances includes security deposits, which are considered unsecured and good. There were no capital advances and loans due from directors, other officers, either jointly or severally with any other person or amount due from the firms or private companies respectively in which any director is a partner or a director or a member as on the date of reporting.



4.05 Other Non-Current Assets:

4.5.1 Long Term Trade Receivables includes sundry debtors outstanding for more than 6 months and they have been considered as unsecured and good.

4.5.2 The said trade receivables does not include any amount due from directors, other officers, either jointly or severally with any other person or amount due from the firms or private companies respectively in which any director is a partner or a director or a member as on the date of reporting.

4.5.3 Investment in equity instruments, preference shares, debenture, bonds, mutual funds, partnership firm and investment in government or trust securities is NIL.

5.00 PROPOSED DIVIDEND:

5.01 The company has not proposed to be distributed dividend on equity shares. The company had not issued preference shares.

02 Additional Information as per Para 5 of general information of Revised**Schedule III**

Particular	31-03-2020 Amount
Adjustments to the carrying amount of investments[Clause (h) of Note 5(i)]	Nil
Net gain or loss on foreign currency translation (other than considered as finance cost) Clause (i) of Note 5(i) considered as finance cost) Clause (i) of Note 5(i)	1,11,770
Payment to Auditor	50,000
Prior period items [Clause (l) of Note 5 (i)]	Nil
The aggregate, if material, of any amounts set aside or proposed to be set aside, to reserve	Nil
The aggregate, if material, of any amounts withdrawn from such reserves [Clause (b) of Note 5 (iv)	Nil
The aggregate, if material, of the amounts set aside to provisions made for meeting specific liabilities, contingencies or commitments and amounts withdrawn from such provisions, as no longer required [Clause (a) of Note 5(v) and Clause (b) of Note 5(v)]	Nil
Clause (b) of Note 5(vii) requires disclosure for 'Provisions for losses of subsidiary companies'	Nil
Expenditure in foreign currency during the financial year [Clause (b) of Note 5(viii)]	1,00,57,448
Total amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of	Nil

non resident shareholders, the total number of shares held by them on Guidance Note to the Revised Schedule VI to the Companies Act, 2013 which the dividends were due and the year to which the dividends related	
Expenditure in foreign currency on account of royalty Know how, Professional and consultation fee, Interest during the financial year	Nil
Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption.	Nil
The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non- resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related	Nil
Value of imports on CIF basis	99,14,560

6.00 Earnings in foreign exchange classified under the following heads

Particular	31-03-2020
	Amount
Export of goods calculated on F.O.B. basis	Nil
Royalty, know-how, professional and consultation fees	Nil
Interest and dividend	Nil
Other income, indicating the nature thereof	Nil

7.00 CONTINGENT LIABILITY

1. Contingent Liability and commitments to the extent not provided- Nil.
2. Other moneys for which the company is contingent liable -NIL
3. On the date of reporting, there were no estimated amount of contract remaining to be executed on capital account, uncalled liability for partly paid shares and other such commitments.

8.00 DETAILS OF PROVISIONS

Particulars	31-03-2020
Provision for warranty	Nil
Provision for estimated losses on onerous contracts	Nil
Provision for other contingencies	Nil



9.00 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Information as regards status of suppliers/vendors under Micro, Small and Medium Enterprises Development Act, 2006 is not available and hence disclosures, if any, in respect of names of the small scale undertaking(s) to whom the company owes a sum exceeding 1,00,000/- together with interest which is outstanding for more than 30 days have not been disclosed.

10.00 RELATIVE PARTY TRANSACTION:

10.01 KMP (KMP- Managing Director, Whole Time Director, Manager)

Director : Shreyas Murthy , Srujan Reddy

Relatives of KMP: G Shrita Reddy, G Tanmai Reddy and Srinivas Murthy

Sr. No	Particular	Holding Co.	Subsidiaries	Associates	KMP	Relative of KMP	Total
1	Purchase Of Goods	Nil	Nil	Nil	6,69,48,428	Nil	6,69,48,428
2	Sale Of Goods	Nil	Nil	Nil	1,32,49,984	Nil	1,32,49,984
3	Purchase of Property , Plant & Equipment	Nil	Nil	Nil	Nil	Nil	Nil
4	Sale of Property , Plant & Equipment	Nil	Nil	Nil	Nil	Nil	Nil
5	Rendering Of Services	Nil	Nil	Nil	1,80,000	Nil	1,80,000
6	Receiving Of services	Nil	Nil	Nil	5,83,200	Nil	5,83,200
7	Agency Arrangement	Nil	Nil	Nil	Nil	Nil	Nil
8	Leasing Or Hire Purchase Arrangements	Nil	Nil	Nil	Nil	Nil	Nil
9	License Agreement	Nil	Nil	Nil	Nil	Nil	Nil
10	Finance Introduction of	Nil	Nil	Nil	17,49,400	9,49,400	26,98,800

	Capital						
11	Repayment of unsecured loan	Nil	Nil	Nil	93,473	1,19,17,924	1,20,11,397
12	Acceptance of Loan	Nil	Nil	Nil	2,90,747	1,02,91,376	1,05,82,123
13	Interest on Loan	Nil	Nil	Nil	17,888	14,34,864	14,52,752
14	Guarantees & Collaterals from directors	Nil	Nil	Nil	Nil	Nil	Nil
15	Management Contracts Including For Deputation Of Employees.	Nil	Nil	Nil	Nil	Nil	Nil
16	Remuneration to Director	Nil	Nil	Nil	15,34,800	Nil	15,34,800

Purchase Of Goods:

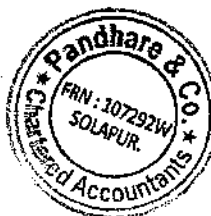
Sr. No.	Name of Vendor	Amount
01.	Shreyas Murthy Venkata Chem Trade	6,69,48,428

Sale of Goods:

Sr. No.	Name of Vendor	Amount
01.	Srujan Reddy SVS Medicare Pvt Ltd.	1,32,49,984

Rendering Of Services (Letting out of immovable property):

Sr. No.	Name of Landlord	Amount
01.	Shreyas Murthy	1,80,000



Introduction of share capital

Sr No	Name of Shareholder	Share Capital introduced during the year	Total Share Capital (Total no.of Shares *Rs 100)
	Directors		
1.	Shreyas S Murthy	7494	7,49,400
2.	G Srujan Reddy	10,000	10,00,000
	TOTAL	17,494	17,49,400
	Relatives of the Directors		
3.	G Tanmai Reddy	3500	3,50,000
5.	G Shritta Reddy	5988	5,98,800
7.	Shriniwas Murthy	6	600
	TOTAL	9494	9,49,400

Receiving Of services

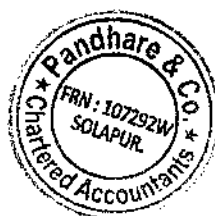
Sr. No.	Name of service Provider	Amount
01.	Shreyas Murthy – Vihan Logistics	5,83,200

Remuneration to Director

Sr. No.	Name of Director	Amount
01.	Shreyas Murthy –	4,80,000
02	Srujan Reddy	10,54,800

Repayment of Unsecured Loan:

Sr. No.	Name of Director/Relative	Acceptance Of loan	Repayment Of loan	Closing Bal 31.3.20	Interest Amount
	Director				
01.	Shreyas Murthy	2,90,747.	93,473.	2,49,668	17,888
	Relatives of the Director				
02.	Tanmai Reddy	50,01,296	1,16,27,844.	50,00,000.	11,12,553
03.	Srinivas Murthy	52,90,080	2,90,080	50,00,000.	3,22,311
	TOTAL(2+3)	1,02,91,376	1,19,17,924	1,00,00,000	14,34,864

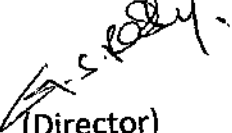


11.00 The company has assessed the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements and expects to recover the carrying amounts of its investments, trade receivable, and inventories. The Company will continue to monitor the future economic conditions and update its assessment.

For, SVS Sourcing Pvt. Ltd.

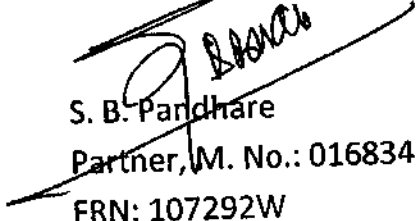


(Director)



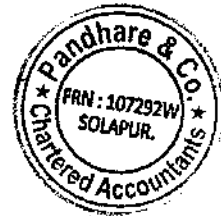
(Director)

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS



S. B. Pandhare
Partner, M. No.: 016834
FRN: 107292W
UDIN: 20016834AAAABF2431

Place: Solapur
Date: 02-10-2020



CORPORATE INFORMATION

SVS Sourcing Private Limited is a private company domiciled in India. The company is engaged in the trading and selling of Acetonitrile, Chloroform, Cyclohexanone, Dimethyl Sulphoxide, DI IsoPropylamine, Epichlorohydrin, Mono Ethanol Amine, Methylene Di Chloride, etc.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the accounting standards (AS) notified under section 133 of the Companies Act 2013, read together with rule 7 of companies (Accounts) Rules 2014. And amendment made there on from time to time. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now in use with those of previous year.

USE OF ESTIMATES

The preparation of the financial statements in conformity with IndianGAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

INVENTORIES

Inventories are valued at the lower of cost (weighted average basis) certify by the management and the net realisable value where considered necessary. It does not include duties/taxes that are recoverable in future.



PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment is carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant & Equipment includes interest on borrowings attributable to acquisition of qualifying Property, Plant & Equipment up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to Property, Plant & Equipment is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance

DEPRECIATION AND AMORTISATION

Depreciation has been provided on the WDV method as per the rates prescribed useful life in Schedule II to the Companies Act, 2013:

Office Equipment: Useful Life in years is 5 years

IMPAIRMENT OF ASSETS

The carrying values of assets / cash generating units at each Balance Sheet date need to be reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets needs to be estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss need to be recognised in the Statement of Profit and Loss, except in case of re-valued assets. Such an excise of impairment of assets has been carried out by management this year and accordingly no impairment of assets was found.

BORROWING COSTS

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the



Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

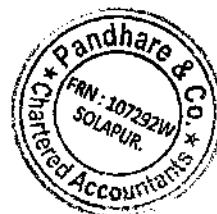
TAXES ON INCOME

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realise ability.

PROVISIONS AND CONTINGENCIES

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities (if any) are disclosed in the Notes. Contingent assets are neither recorded nor disclosed in the financial statements.



EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

EMPLOYEE BENEFITS

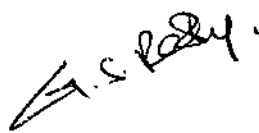
Company has not completed the 5 years from the incorporation date, provision for gratuity fund not been made.

REVENUE RECOGNITION

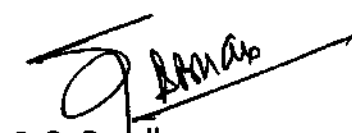
Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

For, SVS Sourcing Pvt. Ltd.


(Director)
(Director)

For, **PANDHARE AND COMPANY**
CHARTERED ACCOUNTANTS


S. B. Pandhare
Partner, M. No.: 016834
FRN: 107292W
UDIN: 20016834AAAABF2431

Place: Solapur
Date: 02-10-2020

