Jain Sonu & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of

PARMESHI ENERGY LIMITED,

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **PARMESHI ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, Cash Flow Statement and for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information for the year then ended.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 31st March, 2021 and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis of 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.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statement

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 Ind AS 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. 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.

   c) The Balance Sheet, Statement of Profit & Loss (including Other Comprehensive Income), Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 the requirements of section 197(16) of the Act, as amended, to the best of our information and according to the explanations given to us, no remuneration paid by the Company to its directors during the year. Hence reporting in accordance with the provisions of section 197 of the Act is not required here.

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KOLKATA

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure-B", a statement on the matters specified in Paragraphs 3 and 4 of the Order.

Place: Kolkata
Date: 13th May, 2021
UDIN: 21060015AAAACJ5161

For **JAIN SONU & ASSOCIATES**
Chartered Accountants
Firm's Registration No.- 324386E

Sonu Jain
Partner
Membership No. 060015

"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph-1(f) under "Report on Other Legal & Regulatory Requirements" section of our report of even date]

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 **PARMESHI ENERGY LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS 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 ("the Guidance Note"). 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 Act.

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 Standards on Auditing prescribed u/s 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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;

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KOLKATA
Chartered Accountants

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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, to the best of our information and according to the explanations given to us, 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 31st March, 2021, 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.

Place: Kolkata
Date: 13th May, 2021
UDIN: 21060015AAAACJ5161

For **JAIN SONU & ASSOCIATES**
Chartered Accountants
Firm's Registration No.- 324386E

Sonu Jain
Partner
Membership No. 060015

"ANNEXURE-B" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph-2 under "Report on Other Legal & Regulatory Requirements" section of our report of even date]

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1. In respect of Fixed Assets:

The company does not have any fixed assets. Therefore reporting under Clause 3(i) of the Order is not applicable to the Company.

2. In respect of Inventories:

The company does not have any inventories. Therefore reporting under Clause 3(ii) of the Order is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has not accepted any deposits under the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Therefore, reporting under Clause 3(v) of the Order is not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.

7. In respect of Statutory Dues:

- **a.** The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Custom Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- **b.** Based on the audit procedures performed and the information and explanations given to us, there were no undisputed amount payable in respect of Income Tax, Goods & Service Tax, Custom Duty, Cess and other material statutory dues in arrear as on 31st March, 2021 for a period of more than six months from the date they became payable.
- **c.** There are no disputed statutory dues as at 31st March, 2021 which have not been deposited on account of matters pending before appropriate authorities.

8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

9. The Company has not raised any funds by way of initial public offer or further public offer (including debt instruments) and hence reporting under Clause 3(ix) of the Order is not applicable to the Company.

10. During the course of our examination of books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the company or any fraud on the Company by its officers or employees nor have we been informed of any such case by the management.

11. Based on our audit procedures and on the information and explanations given by the management, we found that, the Company has not paid/provided any managerial remuneration during the financial year under reporting and hence reporting under this clause of the Order is not applicable to the Company.

12. The Company is not a "Nidhi Company". Therefore reporting under this clause of the Order is not applicable to the Company.

13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under this clause of the Order is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him/her and the provisions of Section 192 of Companies Act, 2013 have been complied with in this regard.

16. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Kolkata
Date: 13th May, 2021
UDIN: 21060015AAAACJ5161

For **JAIN SONU & ASSOCIATES**
Chartered Accountants
Firm's Registration No.- 324386E

KOLKATA

Sonu Jain
Partner
Membership No. 060015

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Balance Sheet as at 31st March, 2021
(All amounts in ₹, unless specified otherwise)

Particulars	Note No	As at 31st March 2021	As at 31st March 2020
ASSETS			
Current assets			
Financial Assets			
Cash and cash equivalents	4	2,84,711	3,43,123
Current Financial Assets	5	10,10,000	10,10,000
Total Assets		**12,94,711**	**13,53,123**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	6	5,00,000	5,00,000
b) Other equity		(4,45,907)	(2,53,180)
		54,093	**2,46,820**
Current liabilities			
a) Financial liabilities			
(i) Borrowings	7	10,00,000	10,00,000
(ii) Other financial liabilities	8	2,30,118	97,442
b) Other current liabilities	9	10,500	8,861
		12,40,618	**11,06,303**
Total Equity and Liabilities		**12,94,711**	**13,53,123**

Significant Accounting Policies and Notes on Financial Statements are an integral part of the Financial Statements.

As per our report on even date

For Jain Sonu & Associates
Chartered Accountants
Firm's Registration No.- 324386E

Sonu Jain
Partner
(Membership No. 060015)

Place: Kolkata
Date: 13th May, 2021

For and on behalf of the Board

Argha Ghosh
Director
(DIN: 09038856)

Somesh Dasgupta
Director
(DIN: 01298835)

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Statement of Profit and Loss for the year ended of 31st March 2021
(All amounts in ₹, unless specified otherwise)

Particulars	Note No	Year ended 31st March 2021	Year ended 31st March 2020
Revenue			
Revenue from operations		-	-
Other income		-	-
Total Income		-	-
Expenses			
Finance costs	10	1,40,000	88,603
Other expenses	11	52,727	53,138
Total Expenses		**1,92,727**	**1,41,741**
Profit/(Loss) Before Tax		**(1,92,727)**	**(1,41,741)**
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Profit/(Loss) for the period		**(1,92,727)**	**(1,41,741)**
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income for the period comprising profit/(loss) and other comprehensive income for the period		**(1,92,727)**	**(1,41,741)**
Earnings per equity share:			
Basic and diluted (in ₹)	13	(3.85)	(2.83)

Significant Accounting Policies and Notes on Financial Statements are an integral part of the Financial Statements.

As per our report on even date

For Jain Sonu & Associates
Chartered Accountants
Firm's Registration No. - 324986E

Sonu Jain
Partner
(Membership No. 060015)

Place: Kolkata
Date: 13th May, 2021

For and on behalf of the Board

Argha Ghosh
Director
(DIN: 09038856)

Somesh Dasgupta
Director
(DIN: 01298835)

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Statement of changes in equity for the year ended 31st March 2021
(All amounts in ₹, unless specified otherwise)

A. Equity Share Capital		
Balance at the beginning of the reporting period	**Changes in equity share capital during the year**	**Balance at the end of reporting period**
5,00,000	-	5,00,000

B. Other Equity	**Amount** **Retained Earnings**
Balance as at 01st April 2019	**(1,11,439)**
Profit / (Loss) for the year	(1,41,741)
Other comprehensive income	-
Total other comprehensive income for the period	**(1,41,741)**
Balance as at 31st March 2020	**(2,53,180)**
Balance as at 01st April 2020	**(2,53,180)**
Profit / (Loss) for the period	(1,92,727)
Other comprehensive income for the period	-
Total other comprehensive income for the period	**(1,92,727)**
Balance as at 31st March 2021	**(4,45,907)**

Significant Accounting Policies and Notes on Financial Statements are an integral part of the Financial Statements.

As per our report on even date

For Jain Sonu & Associates
Chartered Accountants
Firm's Registration No.: 324386E

Sonu Jain
Partner
(Membership No. 060015)

Place: Kolkata
Date: 13th May, 2021

For and on behalf of the Board

Argha Ghosh
Director
(DIN: 09038856)

Somesh Dasgupta
Director
(DIN: 01298835)

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)

Cash Flow Statement for the year ended 31st March 2021

(All amounts in ₹, unless specified otherwise)

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Cash Flow From Operating Activities - (A)		
Net Profit / (Loss) before taxation	(1,92,727)	(1,41,741)
Adjustment for		
Add: Interest Paid/Accrued on Borrowings	1,40,000	88,603
Operating Profit before Working Capital Changes	(52,727)	(53,138)
Adjustment for:		
Increase/(Decrease) in Trade Payable	3,176	(1,440)
Increase/(Decrease) in Current Liabilities	1,639	6,061
(Increase)/Decrease in Current Assets	-	(9,99,016)
Cash Generated from Operations	(47,912)	(10,47,533)
Direct Taxes Paid (Net of tax deducted at source)	-	-
Net Cash from Operating Activities	**(47,912)**	**(10,47,533)**
Cash Flow from Investing Activities - (B)		
Net Cash used in Investing Activities	-	-
Cash Flow from Financing Activities - (C)		-
Increase/ (Decrease) in Current Borrowings	-	10,00,000
Interest paid	(10,500)	(8,861)
Net Cash from Financing Activities	**(10,500)**	**9,91,139**
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	**(58,412)**	**(56,394)**
Cash and Cash Equivalents at the beginning of the year	3,43,123	3,99,517
Cash and Cash Equivalents at the closing of the year (Refer Note 4 to the cash flow	2,84,711	3,43,123
Notes to the Cash Flow Statement for the year ended 31st March, 2020		
1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Ind AS 7 on Statements of Cash Flows		
2. Cash and Cash equivalent at the end of the year consist of:		
a) Cash in hand	-	-
b) Balance with Banks in Current Account	2,84,711	3,43,123
Total	**2,84,711**	**3,43,123**

This is the Cash Flow Statement referred to in our report of even date.

For Jain Sonu & Associates
Chartered Accountants
Firm's Registration No. 324386E

Sonu Jain
Partner
(Membership No. 060015)

Place: Kolkata
Date: 13th May, 2021

For and on behalf of the Board

Argha Ghosh
Director
(DIN: 09038856)

Somesh Dasgupta
Director
(DIN: 01298835)

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Notes to the financial statements for the year ended 31st March, 2021

1. Corporate Information

Parmeshi Energy Limited has been incorporated on 18th June, 2018 under the Companies Act, 2013 with an objective to undertake generation, transmission, distribution and trading of conventional and non-conventional energy in India and/or abroad.

The Company is a wholly owned subsidiary of India Power Corporation Limited w.e.f. 24th April, 2020.

2. Recent accounting pronouncements

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

3. Significant Accounting Policies

a) Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair value / amortised cost at the end of each reporting period, as explained in accounting policy below. Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded off to the nearest two decimals except otherwise stated.

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KOLKATA
Chartered Accountants

b) Property, Plant and Equipment

The Company does not have any property, plant and equipment as on date. Policy in this regard will be determined when such is procured.

c) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes.

The company is yet to earn any revenue from operations, hence application of Ind AS 115 do not have any impact.

Interest Income
The interest is applied as per the standards set in Ind AS 109- Financial Instruments.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally based on approval of shareholders.

d) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Claims not acknowledged as debt.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

e) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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 are adjusted for the effects of all dilutive potential equity shares.

f) Income Taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

h) Post-employment long term and short-term employee benefits

Presently there are no employees in the company. Policy in this regard will be determined when employees are recruited.

i) Investments and Other Financial Assets

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. **Financial instruments at amortised cost** – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

ii. **Equity investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The classification is made on initial recognition and is irrevocable.

JAIN SONU & ASSOCIATES
KOLKATA
Chartered Accountants

iii. **Mutual funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income (FVOCI) debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Particulars	**As at 31st March 2021**	**As at 31st March 2020**
4 **Current financial assets - Cash and Cash Equivalents**		
Balances with Banks		
Current Account	2,84,711	3,43,123
Cash Balance	-	-
Total	**2,84,711**	**3,43,123**

Particulars	**As at 31st March 2021**	**As at 31st March 2020**
5 **Current Financial Assets - Loan**		
Loans and advances (Unsecured, considered good unless otherwise stated)		
Earnest Money Deposit	10,00,000	10,00,000
Others	10,000	10,000
Total	**10,10,000**	**10,10,000**

6 **Share Capital**	**As at 31st March 2021**		**As at 31st March 2020**	
6.1 **Details of Authorised, Issued, Subscribed and Paid up Share Capital**	**Number**	**Amount**	**Number**	**Amount**
Authorised				
Equity Shares of ₹ 10 each	1,00,000	10,00,000	1,00,000	10,00,000
Issued, subscribed and fully paid up equity shares				
Equity Shares of ₹ 10 each	50,000	5,00,000	50,000	5,00,000
Total	**50,000**	**5,00,000**	**50,000**	**5,00,000**

6.2 The company has only one class of equity shares having a par value of ₹ 10 each. Each share has one voting right. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

6.3 **Reconciliation of number of share outstanding**	**31st March 2021**	**31st March 2020**
Balance at the beginning of the reporting period	50,000	50,000
Add : Issued during the period	-	-
Balance at the end of the reporting period	**50,000**	**50,000**

6.4 The following is the list of the shareholders holding more than 5% equity shares:

Name of Shareholder	**As at**		**As at**	
	31st March 2021		**31st March 2020**	
Power Trust			50000	100%
India Power Corporation Limited	50000	100%		

Financial Liabilities

7 **Borrowings - Current**	**As at 31st March 2021**	**As at 31st March 2020**
Inter-Corporate Deposit	10,00,000	10,00,000
Total	**10,00,000**	**10,00,000**

8 **Other Financial Liabilities - Current**	**As at 31st March 2021**	**As at 31st March 2020**
Interest Accrued but not due on borrowings	2,09,242	79,742
Other Payable	20,876	17,700
Total	**2,30,118**	**97,442**

9 **Other Current Liabilities**	**As at 31st March 2021**	**As at 31st March 2020**
Statutory dues payable	10,500	8,861
Total	**10,500**	**8,861**

JAIN SONU & ASSOCIATES * KOLKATA * Chartered Accountants *

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Notes to the financial statements for the year ended 31st March, 2021

1. Corporate Information

Parmeshi Energy Limited has been incorporated on 18th June, 2018 under the Companies Act, 2013 with an objective to undertake generation, transmission, distribution and trading of conventional and non-conventional energy in India and/or abroad.

The Company is a wholly owned subsidiary of India Power Corporation Limited w.e.f. 24th April, 2020.

2. Recent accounting pronouncements

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

3. Significant Accounting Policies

a) Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on historical cost convention on accrual basis except for certain financial instruments that are measured in terms of relevant Ind AS at fair value / amortised cost at the end of each reporting period, as explained in accounting policy below. Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company presents all its assets and liabilities in the balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded off to the nearest two decimals except otherwise stated.

b) Property, Plant and Equipment

The Company does not have any property, plant and equipment as on date. Policy in this regard will be determined when such is procured.

c) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes.

The company is yet to earn any revenue from operations, hence application of Ind AS 115 do not have any impact.

Interest Income
The interest is applied as per the standards set in Ind AS 109- Financial Instruments.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally based on approval of shareholders.

d) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Claims not acknowledged as debt.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

e) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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 are adjusted for the effects of all dilutive potential equity shares.

f) Income Taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

h) Post-employment long term and short-term employee benefits

Presently there are no employees in the company. Policy in this regard will be determined when employees are recruited.

i) Investments and Other Financial Assets

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. **Financial instruments at amortised cost** – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

ii. **Equity investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The classification is made on initial recognition and is irrevocable.

iii. **Mutual funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities
Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income (FVOCI) debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

JAIN SONU & ASSOCIATES
KOLKATA
Chartered Accountants

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Notes to the financial statements for the year ended 31st March 2021
(All amounts in ₹, unless specified otherwise)

	Particulars	**As at 31st March 2021**	**As at 31st March 2020**
4	**Current financial assets - Cash and Cash Equivalents**		
	Balances with Banks		
	Current Account	2,84,711	3,43,123
	Cash Balance	-	-
	Total	**2,84,711**	**3,43,123**

	Particulars	**As at 31st March 2021**	**As at 31st March 2020**
5	**Current Financial Assets - Loan**		
	Loans and advances (Unsecured, considered good unless otherwise stated)		
	Earnest Money Deposit	10,00,000	10,00,000
	Others	10,000	10,000
	Total	**10,10,000**	**10,10,000**

	Share Capital	**As at 31st March 2021**		**As at 31st March 2020**	
6.1	**Details of Authorised, Issued, Subscribed and Paid up Share Capital**	**Number**	**Amount**	**Number**	**Amount**
	Authorised				
	Equity Shares of ₹ 10 each	1,00,000	10,00,000	1,00,000	10,00,000
	Issued, subscribed and fully paid up equity shares				
	Equity Shares of ₹ 10 each	50,000	5,00,000	50,000	5,00,000
	Total	**50,000**	**5,00,000**	**50,000**	**5,00,000**

6.2 The company has only one class of equity shares having a par value of ₹ 10 each. Each share has one voting right. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

	Reconciliation of number of share outstanding	**31st March 2021**	**31st March 2020**
6.3	**Balance at the beginning of the reporting period**	50,000	50,000
	Add : Issued during the period	-	-
	Balance at the end of the reporting period	**50,000**	**50,000**

6.4 The following is the list of the shareholders holding more than 5% equity shares:

Name of Shareholder	**As at 31st March 2021**		**As at 31st March 2020**	
Power Trust			50000	100%
India Power Corporation Limited	50000	100%		

Financial Liabilities

	Borrowings - Current	**As at 31st March 2021**	**As at 31st March 2020**
7	Inter-Corporate Deposit	10,00,000	10,00,000
	Total	**10,00,000**	**10,00,000**

	Other Financial Liabilities - Current	**As at 31st March 2021**	**As at 31st March 2020**
8	Interest Accrued but not due on borrowings	2,09,242	79,742
	Other Payable	20,876	17,700
	Total	**2,30,118**	**97,442**

	Other Current Liabilities	**As at 31st March 2021**	**As at 31st March 2020**
9	Statutory dues payable	10,500	8,861
	Total	**10,500**	**8,861**

JAIN SONU & ASSOCIATES
KOLKATA
Chartered Accountants

Parmeshi Energy Limited
(CIN: U40106WB2018PLC226632)
Notes to the financial statements for the year ended 31st March 2021
(All amounts in ₹, unless specified otherwise)

	Particulars	**Year ended 31st March 2021**	**Year ended 31st March 2020**
10	**Finance costs**		
	Interest Expenses	1,40,000	88,603
	Total	**1,40,000**	**88,603**

11	**Other Expenses**	**Year ended 31st March 2021**	**Year ended 31st March 2020**
	Rates & Taxes	12,000	21,600
	Printing & Stationery	-	440
	Bank Charges	1,787	1,008
	Professional Fees	21,240	12,390
	Payment to Auditors:		
	Audit Fees	17,700	17,700
	Others	-	-
	Total	**52,727**	**53,138**

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KOLKATA
Chartered Accountants

12 Related parties

Related parties have been identified in terms of Ind AS 24 on "Related Party Disclosure" as listed below :

(a) Name of Related Parties	**Relationship**
(i) Swaymbhu Natural Resources Pvt. Ltd.	Holding Company (From 18th June 2018 till 31st October 2019)
(ii) India Power Corporation Limited	Holding Company wef 24th April 2020

(b) Related party transactions during the year	**Year ended 31st March 2021**	**Year ended 31st March 2020**
Nature of Transaction		
Loan taken		
Swaymbhu Natural Resources Pvt Ltd	-	75,00,000
Loan refunded back		
Swaymbhu Natural Resources Pvt Ltd	-	65,00,000
Interest on Borrowings		
Swaymbhu Natural Resources Pvt Ltd	-	30,302

(c) Outstanding balance with related parties*	**Year ended 31st March 2021**	**Year ended 31st March 2020**

*As on date there is no outstanding with related party.

13

Earning per Share	**Year ended 31st March 2021**	**Year ended 31st March 2020**
Profit/(Loss) after tax	(1,92,727)	(1,41,741)
No. of equity shares outstanding	50,000	50,000
Earning per share (Basic & Diluted)	(3.85)	(2.83)
Face value per equity share	10	10

14

Fair Value Measurements **Financial Instruments by category**	**31st March 2021 Amortised Cost**	**31st March 2020 Amortised Cost**
Financial Assets		
Cash and cash equivalents	2,84,711	3,43,123
Others Assets	10,10,000	10,10,000
Total Financial Assets	**12,94,711**	**13,53,123**
Financial Liabilities		
Inter-corporate Deposit	10,00,000	10,00,000
Trade Payable	20,876	17,700
Accrued Interest	2,09,242	79,742
Total Financial Liabilities	**12,30,118**	**10,97,442**

Fair value of financial assets and liabilities measured at amortised cost	**31st March 2021**		**31st March 2020**	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial Assets				
Cash and cash equivalents	2,84,711	2,84,711	3,43,123	3,43,123
Others Assets	10,10,000	10,10,000	10,10,000	10,10,000
Total Financial Assets	**12,94,711**	**12,94,711**	**13,53,123**	**13,53,123**
Financial Liabilities				
Inter-corporate Deposit	10,00,000	10,00,000	10,00,000	10,00,000
Trade Payable	20,876	20,876	17,700	17,700
Accrued Interest	2,09,242	2,09,242	79,742	79,742
Total Financial Liabilities	**12,30,118**	**12,30,118**	**10,97,442**	**10,97,442**

JAIN SONU & ASSOCIATES
KOLKATA
Chartered Accountants

15 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk	Exposure arising from
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.
Liquidity Risk	Borrowings and other liabilities
Market Risk	Future commercial transactions

15.1 Credit Risk

Company does not have any risk as on date since it does not have any outstanding receivables.

15.2 Liquidity Risk

The company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The company being a start-up company does not have any liquidity risk at present. However, avoidance of any major risk is possible on commencement of operations and from resultant internal accruals.

The table provides undiscounted cash flow towards non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.

Particulars	Carrying Amount	Within 6 months	6 to 12 Months	Above 12 months	Total
31st March 2021					
Borrowings (Including Current Maturity)	10,00,000	-	-	10,00,000	10,00,000
Interest Accrued but not due on borrowings	2,09,242	1,29,500	-	79,742	2,09,242
Other Payable	17,700	17,700			17,700
Total	**12,26,942**	**1,47,200**	**-**	**10,79,742**	**12,26,942**
31st March 2020					
Borrowings (Including Current Maturity)	10,00,000	-	10,00,000	-	10,00,000
Interest Accrued but not due on borrowings	79,742	79,742	-	-	79,742
Other Payable	17,700	17,700			17,700
Total	**10,97,442**	**97,442**	**10,00,000**	**-**	**10,97,442**

15.3 Market risk

The company does not have any foreign currency denominated components in its Equity and has not transacted with any foreign currency denominated financial instruments during the year. Therefore, any change on foreign exchange rates on the reporting date will not affect Profit/Loss as on date.

15.4 Interest rate risk

Inter Corporate Deposits were taken on fixed rate of interest and Company does not foresee any risk on the same.

Particulars	31st March 2021	31st March 2020
Variable rate borrowings		-
Fixed rate borrowings	10,00,000	10,00,000
Total borrowings	**10,00,000**	**10,00,000**

15.5 Capital Management

Risk Management

The Company's strategy is to maintain a gearing ratio within 5. The gearing ratios were as follows:

Particulars	31st March 2021	31st March 2020
Net debt	10,00,000	10,00,000
Total equity	54,093	2,46,820
Net debt to equity ratio	**18.49**	**4.05**

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KOLKATA
Chartered Accountants

16 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.
The accounting policies have been applied in preparing the financial statements for the year ended 31st March 2021, the comparative information presented in these financial statements for the year ended 31 March 2020 and in the preparation of an opening Ind AS Statement of Financial Position at 18 June 2018 (the Company's date of transition). In preparing its opening Ind AS Statement of Financial Position, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS Exemptions

OPTIONAL

1) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities.
Accordingly, company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

MANDATORY

2) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

B. Reconciliation between previous GAAP and IND AS

No reconciliation for the transition from previous GAAP to Ind AS has been made as there is no IND AS Adjustments on account of IND AS Application.

17 Segment reporting

As per requirement of Indian Accounting Standard (IND AS) 108, 'Operating Segments', no disclosures are required to be made since the Company's activities consist of single segment.

18 Previous year's figure have been rearranged/regrouped wherever necessary.

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

This is the summary of significant accounting policies and other explanatory information as per our report of even date

For Jain Sonu & Associates
Chartered Accountants
Firm's Registration No.- 324386E

Sonu Jain
Partner
(Membership No. 060015)
Place: Kolkata
Date: 13th May, 2021

For and on behalf of the Board

Argha Ghosh	**Somesh Dasgupta**
Director	Director
(DIN: 09038856)	(DIN: 01298835)