

INDEPENDENT AUDITORS' REPORT

To
The Members of
ENCOMPASS DESIGN INDIA PRIVATE LIMITED

Report on the Audit of the Financial Statements**1. Opinion**

We have audited the accompanying financial statements of M/s. **Encompass Design India Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss, the statement of Cash Flows for the year then ended and notes to the financial statement 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 explanation given to us, the aforesaid 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 31 March 2022, and its financial performance for the year ended on that.

2. 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.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

4. Other Information

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 financial statements and our auditors' report thereon

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company; 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. Auditors Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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.
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

A. 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 purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance sheet, the statement of profit and loss dealt with by this report are in agreement with the books of account.



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.
 - e. On the basis of the written representations received from the directors as on 31 March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. Reporting on internal financial controls over financial reporting (IFCoFR) under this clause is not applicable since turnover of the company does not exceed Rs.50 crores or borrowings do not exceed Rs.25 crores as per latest audited balance sheet.
- B. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: The company being a private limited, the provision of section 197 read with schedule 5 to the act are not applicable to the company and hence reporting under section 197(16) is not required.
- C. With respect to the other matters to be included in the Auditors' 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 may impact its financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (h) above, contain any material misstatement.

- D. As required by the Companies (Auditor's Report) Order, 2020 ("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 A a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

For **V.K. Beswal & Associates**
Chartered Accountants
Firm Registration No.: 101083W



CA Kunal Beswal

Partner

Membership No. 131054

UDIN:22131054AWBROT8858



Place: Mumbai

Date: 07.09.2022

Annexure A to the Independent Auditor's Report

With reference to the Annexure, I referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report the following:

1. In respect of Company's Property, Plant and Equipment and Intangible Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets
- b. The Company has maintained proper records showing full particulars of intangible Assets.
- c. The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- d. There are no immovable properties in name of the company during the course of our audit. Hence comments under this clause is not applicable.
- e. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f. No proceedings have been initiated during the year or are pending against the Company as at March 31st 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

2. In respect of Inventories:

As explained to us physical verification of inventory has been conducted during the year at reasonable intervals by the management

In our opinion, and as informed by the management there is no discrepancies of 10% or more in the aggregate for each class of inventory and according to the information and explanation given to us, the company has maintained proper records of inventories

The coverage and procedures adopted by the management for the verification of the inventory is found to be appropriate

The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on security of current assets. Hence no comments under this clause are called for.

3. According to the information and explanation given to us, and on the basis of our examination of the record of the company, during the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.



4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security to the parties covered under section 185 of the Act. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, the Company has complied with the provisions of section 186 of the Act in respect of the loans, investments, guarantees and securities provided by it, to the extent applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted any deposits from public.
6. As informed to us, the Central Government has not prescribed the maintenance of Cost records under section 148 of the Companies Act, 2013 for any of the activities of the company.
7. In respect of Statutory Dues:
 - (a) According to record of the Company produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, goods & service tax, customs duty, excise duty, cess and other statutory dues applicable to it.
 - (b) According to the information and explanation given to us, there were no outstanding statutory dues as on 31st March 2022 for a period of more than six months from the date they became payable.
 - (c) According to the records of the company there are no dues of Income-Tax, sales tax, wealth tax, service tax, goods & service tax, customs duty, excise duty/cess which have not been deposited on account of any dispute:
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. According to the information and explanations given to us and on the basis of our examination of the records of the Company
 - a. The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
 - b. The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
 - c. In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
 - d. The Company has not utilized any funds on short term basis for any long-term purposes.



- e. On an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, joint venture or associates and hence, reporting under clause 3(ix)(e) is not applicable.
- f. On an overall examination of the financial statements of the Company, the Company does not have any subsidiaries, joint venture or associates and hence, reporting under clause 3(ix)(e) is not applicable

10. Please Note the Following

- a. According to information and explanations given to us, the company has not raised moneys during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of the clause 3(x)(a) of the Order is not applicable to the Company
- b. During the year, the Company has not made any preferential allotment of equity shares in form of rights issue hence this clause is not applicable.

11. Please Note the Following

- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to information and explanations given to us, the company have not received any whistle blower complaints during the year (and upto the date of this report), neither any reported to auditor for consideration

12. In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi company. Hence, in our opinion the clause does not apply to the company.

13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. The turnover of the Company does not exceed Rs.200 crores nor does it have outstanding loans of Rs.100 crores from any banks or financial institutions hence, in our opinion the clause does not apply to the Company.

15. In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company has not entered into any non-cash



transaction with directors or persons connected with him and no provisions of section 192 have been contravened.

16. Please Note the Following

- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence this clause is not applicable and no comments under this clause are called for.
 - b. In our opinion, the company is not a Core Investment Company (CIC) (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
 - c. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year
18. There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xvi) (d) are not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



20. The provision for contribution towards Corporate Social Responsibility (CSR) u/s 135 of the Companies Act are not applicable to the company, hence reporting under this clause is not applicable.

For **V.K. Beswal & Associates**
Chartered Accountants
Firm Registration No.: 101083W



CA Kunal Beswal
Partner
Membership No. 131054
UDIN No.: - 22131054AWBROT8858



Place: Mumbai
Date: 07.09.2022

ENCOMPASS DESIGN INDIA PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH, 2022

PARTICULARS	Note	As at 31st March, 2022	As at 31st March, 2021
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	2	30,92,930	30,92,930
Reserves and Surplus	3	4,48,11,673	5,05,40,146
		4,79,04,603	5,36,33,076
Non-Current Liabilities			
Long-term borrowings	4	10,25,00,314	10,28,62,005
Long Term Provisions	5	7,33,818	5,03,071
		10,32,34,132	10,33,65,076
Current Liabilities			
Short-Term Borrowings	6	2,06,052	1,69,02,508
Trade Payables	7	5,11,99,538	8,38,75,186
Other Current Liabilities	8	89,71,057	1,40,14,151
Short Term Provisions	9	10,18,401	4,30,600
		6,13,95,049	11,52,22,446
Total		21,25,33,784	27,22,20,598
ASSETS			
Non-Current Assets			
Property, Plants & Equipments	10A	12,72,270	12,98,019
Intangible assets	10B	7,10,25,591	9,33,72,671
Deferred Tax Assets (Net)	11	1,21,11,731	1,11,42,513
Long-Term Loans and Advances	12	2,13,389	3,83,389
		8,46,22,982	10,61,96,592
Current Assets			
Inventories	13	8,36,51,335	10,21,59,720
Trade Receivables	14	2,65,93,142	2,39,38,089
Cash and Bank Balances	15	50,48,615	37,919
Short-Term Loans and Advances	16	3,85,295	2,52,193
Other Current Assets	17	1,22,32,416	3,96,36,085
		12,79,10,802	16,60,24,005
Total		21,25,33,784	27,22,20,598

Significant Accounting Policies

1


Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

For **V K BESWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm No. 101083W


CA Kunal V. Beswal

(Partner)

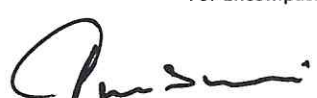

M No. 131054

Place : Mumbai

Date : 07/09/2022



For Encompass Design India Private Limited

Amit Dalmia
Director
DIN: 00210919

Susmita Dalmia
Director
DIN : 02401290

ENCOMPASS DESIGN INDIA PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March, 2022

Particulars	Note	Year ended on 31st March, 2022	Year ended on 31st March, 2021
Income :			
Revenue from operations	18	17,64,85,694	15,65,81,393
Other Income	19	30,03,135	27,90,373
Total Income		17,94,88,828	15,93,71,766
Expenses:			
Purchases		9,46,44,493	9,53,67,794
Increase/(Decrease) in Inventories	20	1,85,08,385	2,78,026
Employee Benefits Expense	21	2,68,34,330	1,95,53,255
Finance Costs	22	16,66,381	20,86,785
Depreciation and Amortization	10(A&B)	1,54,81,267	1,57,80,182
Other Expenses	23	2,90,46,419	2,82,10,093
Total expenses		18,61,81,275	16,12,76,134
Profit/ (Loss) before tax		(66,92,447)	(19,04,368)
Tax expense :			
Current Tax		-	-
Earlier Year Tax		5,244	38,679
Deferred Tax		(9,69,218)	(4,24,983)
Profit/ (Loss) for the year		(57,28,473)	(15,18,064)
Balance carried forward		(57,28,473)	(15,18,064)
Earnings per share			
Basic Par value Rs 10. per share		(23.89)	(7.08)
Diluted Par value Rs 10. per share		(19.99)	(4.91)
Significant Accounting Policies	1		

Accompanying Notes form an integral part of the Financial Statements
As per our report of even date attached

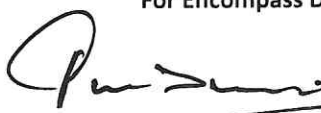
For V K BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 101083W



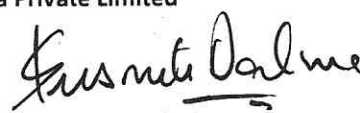
CA Kunal V. Beswal
(Partner)
M No. 131054
Place : Mumbai
Date : 07/09/2022



For Encompass Design India Private Limited



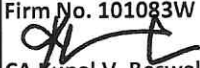
Amit Dalmia
Director
DIN: 00210919



Susmita Dalmia
Director
DIN : 02401290

ENCOMPASS DESIGN INDIA PRIVATE LIMITED
Cash Flow Statement for the period ended 31 March 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
A. Cash flows from operating activities		
Net Profit/(Loss) before taxation and extraordinary items	(66,92,447)	(19,04,368)
Adjustments for Non cash & Non Operating Expenses:		
Depreciation	1,54,81,267	1,57,80,182
Profit & Loss Sale on Fixed Assets	(11,02,398)	-
Interest and Finance Charges	16,66,381	20,86,785
Operating profit before working capital changes	93,52,803	1,59,62,599
Adjustments for changes in working capital (current assets & current liabilities):		
Inventories	1,85,08,385	2,78,026
Trade Receivables	(26,55,053)	(62,31,421)
Short Term Loans and Advances	(1,33,102)	1,39,788
Trade Payables	(3,26,75,648)	(39,04,421)
Other Current Assets	2,74,03,669	90,40,626
Other liabilities and provisions	(44,55,293)	35,78,358
Cash generated from Operations	1,53,45,762	1,88,63,555
Earlier Year Tax	5,244	38,679
Income taxes paid	-	-
Net Cash Flow from Operating Activities	1,53,40,518	1,88,24,876
B. Cash flows from Investing Activities		
Changes in fixed assets	79,93,959	(50,42,623)
Changes in Long-Term Loans and Advances	1,70,000	44,00,651
Net Cash Flow from Investing Activities	81,63,959	(6,41,972)
C. Cash flows from financing activities		
Increase/(Decrease) in Short-term borrowings	(1,66,96,456)	54,56,672
Increase/(Decrease) in Long-term borrowings	(3,61,691)	(1,76,95,996)
Increase/ (Decrease) in Other Long term Liabilities	2,30,747	1,56,649
Change in Money received against Share Warrants	-	(42,00,000)
Interest and Finance Charges	(16,66,381)	(20,86,785)
Net cash generated from financing activities	(1,84,93,781)	(1,83,69,461)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	50,10,695	(1,86,556)
Cash and cash equivalents at the beginning of the year	37,919	2,24,475
Cash and cash equivalents at the end of the year	50,48,614	37,919
Accompanying Notes form an integral part of the Financial Statements		

For V K BESWAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm No. 101083W

 CA Kunal V. Beswal
 (Partner)
 M No. 131054
 Place : Mumbai
 Date : 07/09/2022



For Encompass Design India Private Limited

 
 Amit Dalmia
 Director
 DIN: 00210919
 Susmita Dalmia
 Director
 DIN : 02401290

ENCOMPASS DESIGN INDIA PRIVATE LIMITED

NOTE 1 NOTES FORMING A PART OF BALANCE SHEET AS AT 31ST MARCH 2022.

1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The Company follows the mercantile system of accounting and recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting principles.

B. REVENUE RECOGNITION

Expenses & Income have been accounted for on accrual basis

C. PROPERTY, PLANT & EQUIPMENTS

Fixed Assets are stated at cost less depreciation. The cost includes all expenses incurred to bring the assets to its present location & condition.

Intangible Assets are stated at cost less accumulated amortization.

D. DEPRECIATION

Depreciation on Fixed Assets is provided based on the useful life of the assets in the manner prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized pro-rata on Straight Line basis over the useful life of the assets, estimated by the management.

E. INVESTMENTS

Current investments are carried at lower of cost or quoted / fair value, computed category wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

F. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate on the date of transaction. Gains & losses arising out of subsequent fluctuations in exchange rate are accounted for on actual payment or realization. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on balance sheet date. Exchange difference is recognized in the Profit and Loss Account.

G. INVENTORIES

Inventories are stated at cost or net realisable value whichever is lower.

H. TAXATION

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences between the accounting income & the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.



Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

I. BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to revenue

J. IMPAIRMENT OF ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, i.e. when the carrying amount of the asset exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed or reduced if there has been a favorable change in the estimate or the recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use.

K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Estimation of the probability of any loss that might be incurred on outcome of contingencies on basis of information available up to the date on which the financial statements are prepared . A provision is recognized when an enterprise has a present obligation as a result of a past event 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 are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. In cases where the available information indicates that the loss on the contingency is reasonable possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made in the financial statements. In case of remote possibility neither provision nor disclosure is made in the financial statement. The company does not account for or disclose contingent asset, if any

L. EMPLOYEE RETIREMENT AND OTHER BENEFITS

Gratuity:

Gratuity provision is made for qualifying employees. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit cost method.

Provident Funds:

Contributions to defined contributions scheme i.e. Provident Fund is made to the government owned funds and are charged to the Profit & Loss Account on accrual basis.

Leave Encashment:

As per the policy of the company the employee is not entitled to carry forward the leave and thereby requiring no provisions or actuarial valuations to be done.



ENCOMPASS DESIGN INDIA PRIVATE LIMITED						
Notes Forming Part of Financial Statements for the year ended March 31, 2022						
Particulars	Note	As on 31st March, 2022		As on 31st March, 2021		
		No of Shares	Amount in Rs.	No of Shares	Amount in Rs.	
Share Capital	2					
Authorised Capital :						
Equity Shares of Rs.10/- each		3,00,000	30,00,000	3,00,000	30,00,000	
Preference Shares of Rs.10/- each		1,50,000	15,00,000	1,50,000	15,00,000	
		4,50,000	45,00,000	4,50,000	45,00,000	
Issued, Subscribed and fully paid up						
Equity Shares of Rs.10/- each		2,62,564	26,25,640	2,14,289	21,42,890	
Preference Shares of Rs.10/- each		46,729	4,67,290	95,004	9,50,040	
		3,09,293	30,92,930	3,09,293	30,92,930	
Reconciliation of No. of Shares outstanding at the beginning and end of the reporting period	2.1					
Equity Shares of Rs.10/- each						
Outstanding at the beginning of the year		2,14,289		2,14,289		
Add : Preference share capital converted into equity shares		48,275		-		
Outstanding at the end of the year			2,62,564		2,14,289	
Preference Shares of Rs.10/- each						
Outstanding at the beginning of the year		95,004		95,004		
Less : Preference share capital converted into equity shares		48,275		-		
Outstanding at the end of the year			46,729		95,004	
Rights, Preferences and restrictions attached to equity shares	2.2					
The company has only one class of equity shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.						
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
Rights, Preferences and restrictions attached to Preference shares	2.3					
The company has only one class of preference shares referred to as preference shares having a par value of Rs.10 per share.						
In the event of liquidation of the company, the holders of preference shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
Details of Shareholders holding more than 5% Equity shares in the Company	2.4	No of Shares	% of Shareholding	No of Shares	% of Shareholding	
Amit Dalmia		1,90,627	72.60%	72,250	33.72%	
Arunanshu Agarwal		64,287	24.48%	1,34,389	62.71%	
No. of Shares pledged or otherwise encumbered		64,287	24.48%	64,287	30.00%	
Details of Shareholders holding more than 5% Preference shares in the Company	2.5	No of Shares	% of Shareholding	No of Shares	% of Shareholding	
Vijay Kumar Agarwal		-	-	7,629	8.03%	
Arunanshu Agarwal		-	-	40,646	42.78%	
M/s Vista ITCL (India) Limited		33,541	71.78%	33,541	35.30%	
Note :						
Name of the "M/s IL & FS Trust Company Limited" has been changed to M/s Vista ITCL (India) Limited" during the F.Y. 2016-17						
Shares held by promoters at the end of the year	2.6					
Promoter's Name		Shares held by promoters				% Change during the year
		As on 31st March, 2022		As on 31st March, 2021		
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mr. Amit Dalmia		1,90,627	72.60	72,250	33.72	38.89
Mrs. Susmita Dalmia		7,499	2.86	7,499	3.50	-0.64
Promoter's Name		Shares held by promoters				% Change during the year
		As on 31st March, 2021		31st March 2020		
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Mr. Amit Dalmia		72,250	33.72	72,250	33.72	-
Mrs. Susmita Dalmia		7,499	3.50	7,499	3.50	-
Details pursuant to Part I of Schedule III of the Companies Act, 2013						
Equity Shares :						
Fully paid up pursuant to contract(s) without payment being received in cash				NIL		NIL
Fully paid up by way of bonus shares				NIL		NIL
Shares bought back				NIL		NIL

ENCOMPASS DESIGN INDIA PRIVATE LIMITED						
Notes Forming Part of Financial Statements for the year ended March 31, 2022						
Particulars	Note		As on 31st March, 2022		As on 31st March, 2021	
Reserves and Surplus	3					
Surplus/(Deficit) in Statement of Profit and Loss						
Opening balance				(3,27,33,056)		(3,12,14,992)
Add: Net Profit/(Loss) for the current year				(57,28,473)		(15,18,064)
Closing Balance				(3,84,61,529)		(3,27,33,056)
Share Premium Account						
Opening balance				8,32,73,202		8,32,73,202
Add: Added during the current year				-		-
Closing Balance				8,32,73,202		8,32,73,202
Total Reserves and Surplus				4,48,11,673		5,05,40,146
Long-term borrowings	4					
Unsecured, considered good				-		2,06,052
ICICI Bank Loan A/c				8,75,00,314		8,75,00,314
Inter-Corporate Loans				1,50,00,000		1,51,55,639
Other Loans				10,25,00,314		10,28,62,005
Details of Current & Non Current	4.1					
Current				2,06,052		5,52,996
Non- Current				-		2,06,052
Total				2,06,052		7,59,048
Long Term Provisions	5					
<u>Provision for Employee benefits:</u>						
Gratuity				7,33,818		5,03,071
Total Other Long Term Liabilities				7,33,818		5,03,071
Short Term Borrowings	6					
Secured Loan				-		1,63,49,512
CC limits from Canara Bank *						
* [The above loan is secured against hypothecation of Stock and Book debts. Further security has been offered by way of Corporate Guarantee of [M/s. Creative Global Services Private Limited]]						
Current maturities of Long term borrowings*						
Unsecured, considered good				2,06,052		5,52,996
Other Loans				-		-
Total Short Term Borrowings				2,06,052		1,69,02,508
Trade Payables	7					
Due to Micro, Small & Medium Enterprises for Goods				24,74,780		19,53,903
Trade Payable for Goods- Others				4,40,08,107		6,18,72,286
Trade Payable for Agro Goods- Others				26,34,181		65,16,879
Creditors for Expenses				20,82,470		1,35,32,118
Total Trade Payables				5,11,99,538		8,38,75,186
Trade Payables ageing schedule: As at 31st March, 2022						
Particulars		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		24,74,780	-	-	-	24,74,780
(ii) Others		2,33,68,555	1,47,91,474	1,05,64,729	-	4,87,24,758
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
Trade Payables ageing schedule: As at 31st March, 2021						
Particulars		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		19,53,903	-	-	-	19,53,903
(ii) Others		2,51,81,677	55,49,188	4,05,21,674	1,06,68,745	8,19,21,283
(iii) Disputed dues- MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-



ENCOMPASS DESIGN INDIA PRIVATE LIMITED

Notes Forming Part of Financial Statements for the year ended March 31, 2022

Particulars	Note	As on 31st March, 2022		As on 31st March, 2021		
Other Current Liabilities	8					
Advances from Customers			57,71,518		1,13,36,043	
Outstanding Expense Payable			19,48,761		14,59,635	
Security Deposits			-		18,203	
Statutory Dues			3,18,885		4,08,818	
Other Current Liabilities			9,31,893		7,91,452	
Total Other Current Liabilities			89,71,057		1,40,14,151	
Short Term Provisions	9					
Gartuity Provision			1,71,511		1,29,870	
Provision for Expenses			8,46,890		3,00,730	
Total Short Term Provisions			10,18,401		4,30,600	
Deferred Tax Assets (Net)	11					
Deferred Tax Liability						
Net Block as per Companies Act		7,22,97,862		9,46,70,690		
Net Block as per Income Tax Act		1,90,10,746		3,54,44,451		
Difference			5,32,87,116		5,92,26,239	
Deferred tax liability (A)		26.00%	1,38,54,650	26.00%	1,53,98,822	
Deferred tax assets						
Expenditure to be disallowed u/s 43B -						
Gratuity		9,05,329		6,32,941		
Business Loss		8,43,46,712		8,67,56,883		
Unabsorbed Depreciation Loss		1,46,18,655	9,98,70,696	1,46,92,235	10,20,82,059	
Deferred tax assets(B)		26.00%	2,59,66,381	26.00%	2,65,41,335	
Deferred Tax Asset (Net)			1,21,11,731		1,11,42,513	
Less : Deferred Tax Asset (Net) (Opening)			1,11,42,513		1,07,17,530	
To be Dr/(Cr) in the P & L			(9,69,218)		(4,24,983)	
Long Term Loans and Advances (Unsecured and Considered Good)	12					
Security Deposits						
-With Others			2,13,389		3,83,389	
Total Long Term Loans and Advances			2,13,389		3,83,389	
Inventories	13					
Finished goods (Valued at cost or Net realisable value whichever is lower)			8,36,51,335		10,21,59,720	
Total Inventories			8,36,51,335		10,21,59,720	
As certified by the management						
Trade Receivables (Unsecured, considered good)	14					
Outstanding for a period exceeding Six months			56,13,013		68,18,487	
Others			2,09,80,128		1,71,19,602	
Total Trade Receivables			2,65,93,142		2,39,38,089	
Trade Receivables ageing schedule as at 31st March,2022						
		Outstanding for following periods from due date of payment				
Particulars		Less than 6 months	6 months -1 year	1-2 years	More than 2 year	Total
(i) Undisputed Trade receivables -considered good		2,07,34,169	91,487	49,367	22,56,479	2,31,31,502
(i) Undisputed Trade receivables -considered doubtful		-	-	-	-	-
(iii) Disputed trade receivables considered good		2,45,959	7,94,381	76,734	23,44,566	34,61,640
(iv) Disputed trade receivables considered doubtful		-	-	-	-	-
Trade Receivables ageing schedule as at 31st March,2021						
		Outstanding for following periods from due date of payment				
Particulars		Less than 6 months	6 months -1 year	1-2 years	More than 2 year	Total
(i) Undisputed Trade receivables -considered good		1,70,70,252	1,87,395	10,29,780	14,49,913	1,97,37,341
(i) Undisputed Trade receivables -considered doubtful		-	-	-	-	-
(iii) Disputed trade receivables considered good		49,349	9,37,704	19,93,305	12,20,390	42,00,748
(iv) Disputed trade receivables considered doubtful		-	-	-	-	-



ENCOMPASS DESIGN INDIA PRIVATE LIMITED						
Notes Forming Part of Financial Statements for the year ended March 31, 2022						
Particulars	Note			As on 31st March, 2022		As on 31st March, 2021
Cash and Bank Balances	15					
Cash on Hand				5,303		11,381
Fixed Deposit				6,50,000		-
Balances with Banks						
In Current Accounts				43,93,312		26,538
Total Cash and Bank Balances				50,48,615		37,919
Short Term Loans and Advances	16					
(Unsecured, considered good)						
Prepaid Expenses				3,85,295		2,52,193
Total Short Term Loans and Advances				3,85,295		2,52,193
Other Current Assets	17					
Balance with Statutory Authorities						
- Income Tax				9,32,872		11,09,954
- Others				71,50,768		92,91,437
Advances to Employees				11,80,561		99,461
Advance to Creditors				23,41,715		2,79,96,567
Advances to others				6,26,500		11,38,665
				1,22,32,416		3,96,36,085



ENCOMPASS DESIGN INDIA PRIVATE LIMITED
Notes Forming Part of Financial Statements for the year ended March 31, 2022

Note 10A : Property, Plant & Equipment

Note 20A: Property, Plant & Equipment										
Particulars	Gross block			Accumulated depreciation				Net block		
	As at 01/04/2021	Additions till 31-03-22	Deletions till 31-03-22	As at 31/03/2022	As at 01/04/2021	Additions till 31-03-22	Deletions till 31-03- 22	As at 31/03/2022	As at 31/03/2022	As at 1/04/2021
Computers & Peripherals	8,84,239	1,64,757	-	10,48,996	6,74,845	1,23,994	-	7,98,839	2,50,157	2,09,394
Furnitures & Fixtures	17,01,679	-	-	17,01,679	10,42,183	1,61,659	-	12,03,842	4,97,836	6,59,496
Office Equipment	6,20,052	24,250	-	6,44,302	2,27,284	39,687	-	2,66,971	3,77,331	3,92,768
Mobiles	49,106	1,27,034	-	1,76,140	12,745	16,450	-	29,195	1,46,945	36,361
Total	32,55,076	3,16,041	-	35,71,117	19,57,057	3,41,790	-	22,98,847	12,72,270	12,98,019
Total Previous Year	30,62,453	1,92,623	-	32,55,076	16,57,288	2,99,769	-	19,57,057	12,98,019	

Note 10B : Intangible Assets

NOTE 10B : Intangible Assets									
Particulars	Gross block			Accumulated depreciation			Net block		
	As at 01/04/2021	Additions till 31-03-22	Deletions till 31-03-22	As at 31/03/2022	As at 01/04/2021	Additions till 31-03-22	Deletions till 31-03- 22	As at 31/03/2022	As at 1/04/2021
BED BATH MORE BRANDS	15,71,63,609	-	83,10,000	14,88,53,609	6,73,13,497	1,44,51,883	11,02,398	8,06,62,983	8,98,50,112
Software	72,37,830	-	-	72,37,830	37,15,271	6,87,594	-	44,02,865	35,22,559
Total	16,44,01,439	-	83,10,000	15,60,91,439	7,10,28,768	1,51,39,477	11,02,398	8,50,65,848	9,33,72,671
Total Previous Year	15,95,51,439	48,50,000	-	16,44,01,439	5,55,48,355	1,54,80,413	-	7,10,28,768	10,40,03,084
Grand Totals	16,76,56,515	3,16,041	83,10,000	15,96,62,556	7,29,85,825	1,54,81,267	11,02,398	8,73,64,694	9,46,70,690
Total Previous Year	16,26,13,892	50,42,623	-	16,76,56,515	5,72,05,643	1,57,80,182	-	7,29,85,825	9,46,70,690



ENCOMPASS DESIGN INDIA PRIVATE LIMITED					
Notes Forming Part of Financial Statements for the FY 2021-2022					
Particulars	Note	Year ended 31st March, 2022		Year ended on 31st March, 2021	
Revenue from Operations	18				
Sale of Goods	18A	16,55,28,814		14,66,67,298	
Sale of Services	18B	1,09,56,880		99,14,096	
Total			17,64,85,694		15,65,81,393
Detail of Sales					
Sale of Goods	18A				
Domestic			16,55,28,814		14,66,67,298
Export			-		-
Total			16,55,28,814		14,66,67,298
Sale of Services	18B				
Domestic			37,80,421		58,95,800
Export			71,76,460		40,18,295
Total			1,09,56,880		99,14,096
Revenue from operations			17,64,85,694		15,65,81,393
Other Income	19				
Commission Received		98,952		68,250	
Interest on IT Refund		73,580		1,16,592	
Foreign Exchange Gain / Loss		96,566		-	
Profit & Loss Sale on Fixed Assets		11,02,398		-	
Other Misc Income		16,31,639		26,05,530	
			30,03,135		27,90,373
Increase/(Decrease) in Inventories	20				
Opening Stock of Finished Goods		10,21,59,720		10,24,37,746	
Less: Closing Stock of Finished Goods		8,36,51,335		10,21,59,720	
			(1,85,08,385)		(2,78,026)
Employee Benefits Expense	21				
Salaries, Wages and Other Benefits		2,62,25,722		1,91,33,925	
Staff Welfare Expenses		6,08,608		4,19,330	
			2,68,34,330		1,95,53,255
Finance Costs	22				
Bank Charges		1,09,975		58,471	
Interest		15,56,406		20,28,314	
			16,66,381		20,86,785
Other Expenses	23				
Advertisement & Marketing Expenses		4,15,097		6,14,795	
Auditors Remuneration *		1,80,000		1,80,000	
Commission & Market Place Expenses		1,04,90,700		1,71,64,733	
Electricity Charges		1,71,320		80,430	
Foreign Exchange Gain / Loss		-		14,790	
Insurance Charges		2,18,789		1,19,193	
Installation Charges		35,019		-	
Legal Professional and Consultancy Charges		34,01,035		17,89,597	
Labour Charges		60,100		80,000	
Job Work Charges		11,200		34,350	
Travelling and Conveyance Expenses		5,07,974		3,99,702	
Internet Gateway and Domain charges		5,03,649		5,67,702	
Miscellaneous Expenses		2,39,572		1,74,518	
Office Expenses		77,298		51,890	
Postage and Courier Charges		48,09,276		16,05,329	
Packaging & Designing Expenses		22,98,763		9,48,143	
Printing and Stationary		5,94,372		5,79,825	
Rent, Rates and Taxes		12,88,371		18,92,276	
Repairs and Maintenance		5,54,641		6,66,590	
Sundry Balance Written Off		14,69,782		6,27,716	
Transport Charges		16,74,819		5,96,960	
Telephone Expenses		44,642		21,552	
			2,90,46,419		2,82,10,093
*Auditors Remuneration					
Audit fee			1,50,000		1,50,000
Taxation Matters			30,000		30,000
			1,80,000		1,80,000



ENCOMPASS DESIGN INDIA PRIVATE LIMITED**Notes Forming Part of Financial Statements for the FY 2021-2022****24. Gratuity and other employment benefits:****Annexure 1: Funded status of the plan**

Particulars	31-Mar-2022	31-Mar-2021
	Rs.	Rs.
Present value of unfunded obligations	9,05,329	6,32,941
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Un recognized Past Service Cost	-	-
Net Liability (Asset)	9,05,329	6,32,941

Annexure 2: Profit and loss account for current period

Particulars	31-Mar-2022	31-Mar-2021
	Rs.	Rs.
Current service cost	1,72,223	1,44,209
Interest on obligation	31,808	23,324
Expected return on plan assets	-	-
Net actuarial loss/(gain)	68,357	544
Past service cost (Unvested)	-	-
Loss/(gain) on curtailments and settlement	-	-
Total included in 'Employee Benefit Expense'	2,72,388	1,68,077
Total Charge to P&L	2,72,388	1,68,077
Loss/(gain) on obligation as per Annexure 3	68,357	544
Loss/(gain) on assets as per Annexure 4	-	-
Net actuarial loss/(gain)	68,357	544



Annexure 3: Reconciliation of defined benefit obligation

Particulars	31-Mar-2022	31-Mar-2021
	Rs.	Rs.
Opening Defined Benefit Obligation	6,32,941	4,64,864
Transfer in/(out) obligation	-	-
Current service cost	1,72,223	1,44,209
Interest cost	31,808	23,324
Actuarial loss (gain)	68,357	544
Past service cost	-	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plan	-	-
Benefits paid	-	-
Benefits payable	-	-
Closing Defined Benefit Obligation	9,05,329	6,32,941

Annexure 4: Reconciliation of plan assets

Particulars	31-Mar-2022	31-Mar-2021
	Rs.	Rs.
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Expected return	-	-
Actuarial gain/(loss)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing value of plan assets	-	-



Annexure 5: Reconciliation of net defined benefit liability

Particulars	31-Mar-2022 (12 months)	31-Mar-2021 (12 months)
Net opening provision in books of accounts	6,32,941	4,64,864
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per Annexure 2	2,72,388	1,68,077
	9,05,329	4,64,864
	9,05,329	4,64,864
Benefits paid by the Company	-	-
Contributions to plan assets	-	-
Closing provision in books of accounts	9,05,329	4,64,864

Annexure 6: Composition of the plan assets

Particulars	31-Mar-2022 (12 months) %	31-Mar-2021 (12 months) %
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	0%	0%
Bank Balance	0%	0%
Other Investments		
Total	0%	0%

Annexure 7: Bifurcation of liability as per schedule III

Particulars	31-Mar-2022 (12 months)	31-Mar-2021 (12 months)
	Rs.	Rs.
Current Liability*	1,71,511	1,29,870
Non-Current Liability	7,33,818	5,03,071
Net Liability	9,05,329	6,32,941

* The current liability is calculated as expected benefits for the next 12 months.

Annexure 8: Table of experience adjustments

Particulars	31-Mar-2022 (12 months)	31-Mar-2021 (12 months)
	Rs.	Rs.
Defined Benefit Obligation	9,05,329	6,32,941
Plan Assets	-	-
Surplus/(Deficit)	(9,05,329)	(6,32,941)
Experience adjustments on plan liabilities	86,327	(3,265)
Actuarial loss/(gain) due to change in financial Assumptions	(18,015)	3,809
Actuarial loss/ (gain) due to change in demographic Assumption	-	-
Experience adjustments on plan assets	-	-
Net actuarial loss/ (gain) for the year	68,357	544

Annexure 9: Principle actuarial assumptions

Particulars	31-Mar-2022 (12 months)	31-Mar-2021 (12 months)
Discount Rate	6.10%	5.60%
Expected Return on Plan Assets	Not Applicable	Not Applicable
Salary Growth Rate	6.00%	6.00%
Withdrawal Rates	50% at younger ages reducing to 10% at older ages	50% at younger ages reducing to 10% at older ages

ENCOMPASS DESIGN INDIA PRIVATE LIMITED
Balance Sheet as at 31st March, 2022

25. RELATED PARTY TRANSACTIONS:

Disclosure in respect of related parties pursuant to AS – 18 Related Party Disclosures is as under:

(A) Key Management Personnel & Relatives of Key Management Personnel:

Mr. Amit Dalmia	Director - Key Managerial Personnel
Mrs. Susmita Dalmia	Director - Key Managerial Personnel

(B) Other Concerns / Companies:

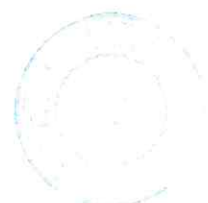
Creative Portico Private Limited	Accio global private limited
Creative Global Services Private Limited	Omnitex industries (India) limited
Creative Garments Private Limited	Alluvium beauty and skincare private limited
Creative Textile Mills Private Limited	Dazzala textile LLP
Home Craft Online Private limited	Brand spring ventures LLP
OTH Online Private limited	Viaton Energy Private Limited
Creative Logistics Services DBA COS	

b) Transactions undertaken / balances outstanding with related parties in the ordinary course of business

Particulars	As at 31st March, 2022	As at 31st March, 2021
Mr. Amit Dalmia		
Director Salary	14,00,000	21,50,200
Loan taken	98,44,361	2,50,000
Loan Repaid	1,00,00,000	73,93,000
Telephone Expense	7,176	1,101
Mrs. Susmita Dalmia		
Director Salary	9,00,000	-
Telephone Expense	1,775	-
Creative Garments Private Limited		
Purchase	72,600	85,500
Creative Logistics Services DBA COS		
Support Service – Income	-	86,388
OTH Online Private limited		
Branding & Advertisement	-	45,00,000
Reversal of Branding & Advertisement	83,10,000	-
Commission Paid	1,351	3,773
Sales	-	16,179
Creative Global Services Private Limited		
Repayment of Creditors for Expenses	1,04,87,806	-
Home Craft Online Private Limited		
Advance given to creditors received back	18,79,031	-
Creative Textile Mills Private Limited		
Sales of Services	-	30,000
Viaton Energy Private Limited		
Sales	-	63,839



c) Closing balances with related parties in the ordinary course of business		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Mr. Amit Dalmia		
Loan Liability	-	1,55,639
Director Salary Payable	-	66,237
Mrs. Susmita Dalmia		
Director Salary	1,63,833	-
Creative Global Services Private Limited		
Creditors for Expenses Payable	-	1,04,87,806
Creative Garments Private Limited		
Trade receivable	11,18,296	11,95,296
Creative Portico Private Limited		
Advance to Creditors	-	3,58,304
OTH Online Private limited		
Advance to Creditors	-	2,45,47,984
Home Craft Online Private Limited		
Advance to Creditors	-	18,79,031
Creative Textile Mills Private Limited		
Trade receivable	4,48,167	4,48,167
Viaton Energy Private Limited		
Trade receivable	-	2,54,617
26. Micro, Small and Medium Enterprises Development Act, 2006. (MSME)		
The Company has during the year sent out letters seeking confirmations from its suppliers whether they fall under the category of micro, small and medium enterprises as mentioned under the Micro, Small and Medium Enterprises Development Act, 2006.		
Particulars	As at 31st March, 2022	As at 31st March, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; *Total Payable to MSME Rs. 24,74,780/- out of which Rs.8,75,371/- is the SUM on which Interest on MSME is payable	8,75,371*	19,53,903
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil



The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year;	42,112	56,017
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil
27. Expenditure In Foreign Currency		
a. Expenses	Rs.3,52,715	Rs.3,39,835
b. Travelling Expense	NIL	NIL
28. Earning In Foreign Currency		
a. Supply of Services	71,76,460	40,18,295
29. Contingent Liability	NIL	NIL
30. In the opinion of the Board of Directors, the current assets, loans and advances have a value, which on realization in the ordinary course of business is at least equal to the amount stated in the Balance Sheet. Sundry Debtors and Creditors are subject to confirmation.		
31. Earnings per share (EPS)		
Earnings per Share is calculated in accordance with Accounting Standard 20-'Earnings per Share'- (AS20), notified by the Company's (Accounting Standards) Rules, 2006 as under:		
	As at 31st March,	
Particulars	2022	As at 31st March, 2021
Profit/(Loss) after tax	- 57,28,473	- 15,18,064
Weighted average number of shares outstanding (Basic)	2,39,815	2,14,289
Weighted average number of shares outstanding (Diluted)	2,86,544	3,09,293
Nominal value per share	10	10
Basic earnings per share	- 23.89	- 7.08
Diluted earnings per share	- 19.99	- 4.91
32. Additional regulatory and other information as required by the Schedule III to the Companies Act 2013		
1. Property, Plant and Equipment, Intangible Assets & Capital WIP		
There are no Immovable property held in the name of the company		
2. Borrowings From Banks		
The Company has not been sanctioned working capital for more than five crore rupees, in aggregate, from banks on the basis of security of current assets at any point of time during the year.		
3. Loans and Advances		
The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment		

4. There are no pending charge creation / satisfaction registration with ROC by the company.
5. The company not has any Relationship with struck off companies during the year.
6. Contribution to political parties during the year 2021-22 is Rs. Nil (previous year Rs. Nil).
7. The Company has not been declared as Wilful defaulter by Banks/Financial Institution/Other Lender.
8. The company had not entered into any Scheme's of arrangements with the competent authority in terms of Sec. 230 to 237 of the Companies Act, 2013.
9. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
10. No proceedings or notice received against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
11. The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.
12. The Provision related to Expenditure on Corporate Social Responsibility (CSR) as per Section 135 is not applicable to the company.
33. Ratio Analysis: Please Refer the Ratio Analysis Sheet for details.
34. Previous year figures are regrouped rearranged, reclassified wherever felt necessary.

As per our Report of even date,
For V K BESWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 101083W


CA Kunal V. Beswal
(Partner)
M No. 131054
Place : Mumbai
Date : 07/09/2022
UDIN : 22131054AWBROT8858



For and on behalf of Board of Directors
For Encompass Design India Private Limited


Amit Dalmia
Director
DIN: 00210919


Susmita Dalmia
Director
DIN : 02401290

ENCOMPASS DESIGN INDIA PRIVATE LIMITED
Notes Forming Part of Financial Statements for the FY 2021-2022

33. Ratio Analysis

Sr No	Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	% Variance	Reason for Variance for More than 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	2.08	1.44	-43.59	Improved due to Repayment of Borrowing
2	Debt Equity Ratio (in times)	Total Liabilities Total Outside Liabilities	Shareholder's Equity Total Shareholders Equity	3.44	4.08	16.68	
3	Debt Service Coverage Ratio (in times)	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets, etc.	Debt Service Current Debt Obligation (Interest & Lease payment+ Principal Repayment)	8.86	0.13	(6,687.71)	Improved due to Repayment of Borrowing
4	Return on Equity Ratio (in %)	Profit for the period Net Profit after taxes - preference dividend (if any)	Avg. Shareholders' Equity (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	-2402.62%	-708%	-238.15	Loss of the company increased as compared to last year
5	Inventory Turnover Ratio (in times)	Cost of Goods sold (Opening Stock + Purchases) – Closing Stock	Average Inventory (Opening Stock + Closing Stock)/2	1.22	0.93	(29.27)	Improvement in Turnover during the year in turn improve the holding period of stock as compared to Previous year
6	Trade Receivables Turnover Ratio (in times)	Net Credit Sales Credit Sales	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	6.99	7.52	8.11	
7	Trade Payables Turnover Ratio (in times)	Total Purchases Annual Net Credit Purchases	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables) / 2	1.40	1.11	(25.12)	Improved as payment released on time
8	Net Capital Turnover Ratio (in times)	Net Sales Total Sales - Sales Return	Average Working Capital Current Assets - Current Liabilities	2.65	3.08	14.92	
9	Net Profit Ratio (in %)	Net Profit Profit After Tax	Net Sales Sales	-3.25%	-1%	-233.80	Loss of the company increased as compared to last year
10	Return on Capital employed (in %)	EBIT Profit before Interest and Taxes	Capital Employed * Capital Employed = Total Assets - Current Liabilities	6.12%	10%	40.63	Loss of the company increased as compared to last year

