



Independent Auditor's Report

To the Members of MKJ Manufacturing Private Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of MKJ Manufacturing Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us except the effect of the matter described in the basis of qualified opinion, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Balances of various parties amongst company's trade receivables, trade payables are subject to confirmation, reconciliation and consequential adjustment, the impact thereof is not ascertained. The company has also not provided us the details of the status of registrations of Micro and Small enterprises as per requirement of Micro, Small and Medium Enterprises Development Act, 2006; accordingly, the required disclosure in respect of such enterprises is also not done.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Act 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 qualified opinion.

Other Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report and other company related information, but does not include the standalone financial statements and our auditor's 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 Standalone 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the said Order.



2. 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2006.
 - 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 with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2'.
 - g) Being a Private Limited Company, provisions of Section 197 is not applicable to the company. Hence, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
 - 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 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.

For D Khanna & Associates
Chartered Accountants
FRN: 012917N

[Deepak Khanna]
Partner
M. No. 092140
UDIN: 21092140AAAACZ3971
Date: 20th May, 2021
Place: Jaipur



ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MKJ Manufacturing Private Limited of even date for the year ended on 31-03-2021)

- i. In respect of the Company's fixed assets:
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant & Equipment).
 - (b) The fixed assets (Property, Plant & Equipment) have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the Company.
- ii. The company does not have inventory during the year under audit hence reporting under this clause has not been applicable.
- iii.
 - (a) The Company had granted loans, the principal and interest thereof are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans are not prejudicial to the Company's interest.
 - (b) The Company had granted loans that are re-payable on demand, to a company covered in the register maintained under section 189 of the Companies Act, 2013. The loan has been fully repaid during the year along with interest and there has been no default on the part of the parties to whom the money has been lent.
 - (c) There are no overdue amounts in respect of the loan granted to a company covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. As per the information and explanation given to us, the company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of short-term Loans given. Loans have been given to parties covered under section 185 of the Companies Act, 2013 and company has not violated the provisions of section 185 of the Companies Act, 2013. As explained to us the company has not given any guarantee or provided any security to any party covered under section 185 or 186 of the Companies Act, 2013.
- v. The company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made there under, hence this clause is not applicable.
- vi. Company is not liable to maintain cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013.



- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - c) According to the records of the Company and as per the information and explanation given to us, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax and cess on account of any dispute, are as follows to the information and explanations given to us, there are no material dues of goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. The company has not taken any loan from the Government.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, the money raised by the Company by way of term loans have been applied for the purposes for which they were obtained.
- x. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of frauds by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Being a private limited company, provisions of Section 197 read with Schedule V to the Act are not applicable; hence reporting under clause 3(xi) is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. The Company has complied with the provisions of Section 177 and 188 of the Act w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

D. KHANNA & ASSOCIATES

Chartered Accountants



- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with the directors or persons connected with them as covered under Section 192 of the Act.
- xvi. According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For D Khanna & Associates
Chartered Accountants
FRN: 012917N

[Deepak Khanna]
Partner
M. No. 092140
UDIN: 21092140AAAACZ3971
Date: 20th May, 2021
Place: Jaipur



Annexure 2 to the Independent Auditor's Report

Referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report on even date to the members of MKJ Manufacturing Private Limited on the Financial Statements for the year ended 31st March 2021.

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to Financial Statements of MKJ Manufacturing Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the 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 with reference to Financial Statements based on the internal controls 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 (ICAI). 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 with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 with reference to Financial Statements 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 control system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to Financial Statements included obtaining an understanding of internal financial control with reference to Financial Statements, 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 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 with reference to Financial Statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements 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 with reference to Financial Statements in place and such internal financial controls with respect to Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For D Khanna & Associates
Chartered Accountants
FRN: 012917N

[Deepak Khanna]
Partner
M. No. 092140
UDIN: 21092140AAAACZ3971
Date: 20th May, 2021
Place: Jaipur

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

in Rs.

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	3	10,02,25,942	9,99,98,707
(b) Financial Assets			
(i) Loans	4	4,26,92,043	4,25,52,000
2. Current Assets			
(a) Financial Assets			
(i) Trade Receivables	5	8,01,060	17,70,885
(ii) Cash and Cash Equivalents	6	33,13,093	30,15,192
(iii) Loans	7	34,00,696	52,19,406
(b) Non Financial Assets	8	32,75,013	53,94,389
TOTAL		15,37,07,847	15,79,50,579
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	9	98,67,000	98,67,000
(b) Other Equity			
Retained Earnings	10	2,15,73,766	1,44,22,215
Total Equity		3,14,40,766	2,42,89,215
2. Non Current Liabilities			
Financial Liabilities			
Long Term Borrowings	11	10,79,88,131	11,90,41,112
3 Deferred Tax Liabilities (Net)			
	12	4,44,751	-
4. Current Liabilities			
(a) Financial Liabilities			
(i) Trade and Other Payables	13	5,83,265	3,75,262
(ii) Other Financial Liabilities	14	1,09,68,032	1,20,56,560
(b) Liabilities For Current Tax	15	-	11,94,000
(c) Short Term Provisions	16	22,82,902	9,94,431
TOTAL		15,37,07,847	15,79,50,579

Summary of significant accounting policies

2.1

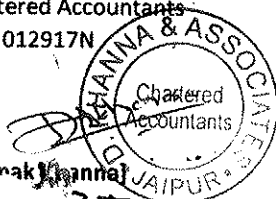
The accompanying notes are an integral part of the financial statements

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN: 012917N



[Deenak Khanna]

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

UDIN: 21092140AAAAC23971

For and on behalf of the Board of Directors of

MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd.

MKJ Manufacturing Pvt. Ltd.

Director

per Navdeep Varshneya

Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021

per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Statement of profit and loss for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
in Rs.			
Income			
Revenue from operations	17	2,27,32,956	2,77,63,586
Other Income	17	45,43,227	1,86,619
Total revenue		2,72,76,183	2,79,50,205
Expenses			
Employee Benefit Expenses	18	8,74,981	11,00,250
Depreciation	3	24,96,247	22,00,380
Other Expenses	19	60,92,122	34,76,496
Finance Costs	20	1,00,26,313	1,35,24,840
Total expenses		1,94,89,663	2,03,01,966
Profit before tax and exceptional item		77,86,520	76,48,239
Exceptional item		-	-
Profit before tax		77,86,520	76,48,239
Tax expense			
Tax relating to earlier years		(10,09,074)	(16,50,780)
Deferred tax charge		4,44,751	-
Current tax	21	11,99,292	11,94,000
Total tax expense		6,34,969	(4,56,780)
Profit for the year		71,51,551	81,05,019
Other Comprehensive Income for the year, net of tax			
Total Income for the year, net of tax		71,51,551	81,05,019
Earnings per equity share:			
Basic earnings per share (In Indian Rupees per share)		72.48	82.14
Diluted earnings per share (In Indian Rupees per share)		72.48	82.14
Nominal value per equity share (In Indian Rupees per share)		100.00	100.00

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN: 012917N

[Deepak Khanna]

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

For and on behalf of the Board of Directors of
MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd. MKJ Manufacturing Pvt. Ltd.

Director

per Navdeep Varshneya

Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021

per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Statement of Cash Flows for the Year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit / Loss before tax	77,86,520	76,48,239
Cash Flows from operating activities		
Adjustments for :		
Depreciation of property, plant and equipment	24,96,247	22,00,380
Interest Paid	1,00,21,171	1,35,23,363
Interest Income	(44,37,859)	(1,86,619)
Operating profit/loss before working capital changes	1,58,66,079	2,31,85,362
Movement in working capital:		
Decrease in Trade Receivable	9,69,825	(12,65,407)
(Increase) in short term loans and advances	45,71,616	(36,91,425)
(Increase) in long term loans and advances	(1,40,043)	74,78,568
Increase in trade payables	2,08,004	(10,91,066)
Increase in other financial liabilities & provisions	1,99,943	30,34,905
Cash generated from operations	2,16,75,424	2,76,50,938
Income tax paid	(20,17,748)	(27,03,219)
Net cash flows from operating activities (A)	1,96,57,676	2,49,47,719
Cash flows used in investing activities		
Purchase of property, plant and equipment, including capital work in progress	(27,23,482)	(20,15,640)
Net cash flows used in investing activities (B)	(27,23,482)	(20,15,640)
Cash flows from financing activities		
(Repayment) Proceeds from Long term borrowings	(1,10,52,981)	(89,87,999)
Interest Paid	(1,00,21,171)	(1,35,23,363)
Interest Income	44,37,859	1,86,619
Net cash flows from financing activities (C)	(1,66,36,293)	(2,23,24,742)
Net decrease in cash and cash equivalents (A+B+C)	2,97,901	6,07,337
Cash and cash equivalents at the beginning of the year	30,15,192	24,07,855
Cash and cash equivalents at the year end	33,13,093	30,15,192
Components of cash and cash equivalents:		
Cash on hand	38,389	42,816
Balances with banks		
In current accounts	32,74,704	29,72,376
Total cash and cash Equivalents	33,13,093	30,15,192


The accompanying notes are an integral part of the financial statements

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN: 012917N



[Deepak Khanna]

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

For and on behalf of the Board of Directors of

MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd. MKJ Manufacturing Pvt. Ltd.


Director

per Navdeep Varshneya

Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021


per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

	March 31, 2021	March 31, 2020
4 Long Term Loans and Advances		
Non Current		
Long Term Loans and Advances		
Unsecured Considerd Good		
Loans	4,24,35,043	4,22,95,000
Securities Deposit	2,57,000	2,57,000
	<u>4,26,92,043</u>	<u>4,25,52,000</u>
5 Trade and Other Receivable		
Unsecured Considered Good	-	
Trade Receivable exceeding More than 6 Months	-	
Other Trade Receivable	8,01,060	17,70,885
	<u>8,01,060</u>	<u>17,70,885</u>
6 Cash and Cash Equivalent		
Cash in Hand	38,389	42,816
Balances with Bank		
In Current Accounts	10,02,402	8,42,352
In Securities Deposit Account	22,72,302	21,30,024
	<u>33,13,093</u>	<u>30,15,192</u>
7 Short Term Loans and Advances		
Unsecured Considered good		
Prepaid expenses	-	13,200
Advances to Supplier	34,00,696	52,06,206
	<u>34,00,696</u>	<u>52,19,406</u>
Break up of Financial Assets carried at amortised cost		
Long Term Loans and Advances	4,26,92,043	4,25,52,000
Trade and Other Receivable	8,01,060	17,70,885
Cash and Cash Equivalent	33,13,093	30,15,192
	<u>4,68,06,196</u>	<u>4,73,38,077</u>
8 Non-Financial Assets		
Income tax refundable	24,56,557	15,11,591
Tax Deducted at Source	8,18,456	27,03,219
GST Receivable	-	11,79,579
	<u>32,75,013</u>	<u>53,94,389</u>
11 Long Term Borrowing		
Long Term Borrowing		
Secured From bank		
ICICI Bank	10,79,88,131	11,90,41,112
	<u>10,79,88,131</u>	<u>11,90,41,112</u>
12. Deferred Tax Liabilities (Net)		
Accelerated depreciation for Tax Purpose	4,44,751	-
	<u>4,44,751</u>	<u>-</u>



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

	March 31, 2021	March 31, 2020
13 Trade and Other Payable		
Trade payable		
Total Outstanding of Micro and Small Medium Enterprises		
Total Outstanding dues of other than Micro and Small Medium Enterprises	2,90,494	3,19,618
Other Payable		
GST Payable	2,88,771	-
TDS Payable	4,000	55,644
	<u>5,83,265</u>	<u>3,75,262</u>
14 Other Financial Liabilities		
Securities Deposit	1,09,68,032	1,20,56,560
	<u>1,09,68,032</u>	<u>1,20,56,560</u>
15 Liabilities for Current tax		
Provision for Income Tax	-	11,94,000
	<u>-</u>	<u>11,94,000</u>
16 Short Term Provisions		
Interest accrued but not due	5,96,154	7,78,095
Outstanding Expenses	16,86,748	2,16,336
	<u>22,82,902</u>	<u>9,94,431</u>
Break up of Financial liabilities carried at amortised cost		
Trade and Other Payables	5,83,265	3,75,262
Other Financial Liabilities	1,09,68,032	1,20,56,560
	<u>1,15,51,297</u>	<u>1,24,31,822</u>



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

Particulars	March 31, 2021	March 31,2020
9 Equity Shares Capital		
Authorized		
1,50,000 Equity Shares (March 31, 2020: 1,50,000) of Rs. 100/- each	1,50,00,000	1,50,00,000
Issued, Subscribed and Fully Paid Up Shares		
98,670 Equity Shares (March 31, 2020: 98670) of Rs. 100/- each	98,67,000	98,67,000
	98,67,000	98,67,000

(a) Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2021		March 31,2020	
	No. of Shares	Value	No. of Shares	Value
At the beginning of the year	98,670	98,67,000	98,670	98,67,000
Issued During the year	-	-	-	-
Outstanding at the end of the year	98,670	98,67,000	98,670	98,67,000

(b) Terms or Rights attached to the equity shares

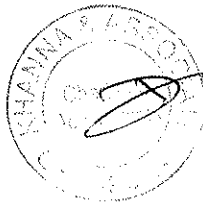
The company has only one class of Equity Shares of Rs. 100/- each the equity shares have rights, preferences and restriction which are in accordance with the provisions of law, in particular the the Companies Act, 2013.

(c) Details of Shareholders holding more than 5% equity shares in the company

Particulars	March 31, 2021		March 31,2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Genus Power Infrastructures Limited	49,335	50.00%	49,335	50.00%
R.K.Gupta	6,177	6.26%	6,177	6.26%
R.K.Gupta & Sons HUF	6,989	7.08%	6,989	7.08%
Neeru Gupta	24,668	25.00%	24,668	25.00%
Navdeep Varshneya	5,766	5.85%	5,766	5.85%
Divya Varshneya	5,735	5.81%	5,735	5.81%
	98,670	100.00%	98,670	100.00%

10 Other Equity

	March 31, 2021	March 31,2020
Retained Earning		
Balance at the begning of the year	1,44,22,215	63,17,196
Add: Profit (Loss) for the year	71,51,551	81,05,019
Balance at the end of the year	2,15,73,766	1,44,22,215



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

	March 31, 2021	March 31,2020
16 Revenue From Operation		
Rental Income	2,15,26,944	2,65,48,734
Maintenance Charges	12,06,012	12,14,852
	<u>2,27,32,956</u>	<u>2,77,63,586</u>
17 Other Income		
Interest received	44,37,859	1,86,619
Liability w/back	1,05,368	-
	<u>45,43,227</u>	<u>1,86,619</u>
18 Employee Benefit Expenses		
Salary and Bouns	8,74,981	11,00,250
	<u>8,74,981</u>	<u>11,00,250</u>
19 Other Expenses		
Remuneration to Statutory Auditors	25,000	15,000
Conveyance Expenses	12,115	10,549
Repair & Maintenance	5,08,676	62,160
Debit balance w/off		24,262
Donation	51,000	-
Power and Fuel expenses	1,15,196	14,99,983
Housekeeping Charges	4,48,582	5,50,963
Insurance Exp.	-	24,588
Legal & Professional Exp.	2,58,620	2,25,000
Printing & Stationary	5,304	4,189
Property Tax	38,73,761	-
Mobile And Internet Exp.	10,149	12,175
Rates And Taxes	4,771	1,07,200
Security Expenses	7,68,000	7,98,452
Misc. Expenses	10,947	1,41,976
	<u>60,92,122</u>	<u>34,76,496</u>
19A Remuneration to Statutory Auditor		
Audit Fees	25,000	15,000
	<u>25,000</u>	<u>15,000</u>
20 Finance Expense		
Interest Exp.	1,954	10,984
Interest On Loan	1,00,19,217	1,35,12,379
Loan Processing fees	-	-
Bank Charges	5,142	1,477
	<u>1,00,26,313</u>	<u>1,35,24,840</u>



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Statement of Changes in Equity for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

(a) Equity Share Capital

Equity Shares of Rs.100 each, fully paid up

As at March 31, 2020

As at March 31, 2021

	<u>No. of Shares</u>	<u>Amount</u>
As at March 31, 2020	98,670	98,67,000
As at March 31, 2021	98,670	98,67,000

(b) Other Equity

Reserves and surplus

As at March 31, 2019

Profit for the period

As at March 31, 2020

Profit/Loss for the period

As at March 31, 2021

As at March 31, 2019	63,17,196
Profit for the period	81,05,019
As at March 31, 2020	1,44,22,215
Profit/Loss for the period	71,51,551
As at March 31, 2021	2,15,73,766

The accompanying notes are an integral part of the financial statements

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN: 012917N



[Deepak Khanna]

Partner

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

For and on behalf of the Board of Directors of

MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd.
Director

per Navdeep Varshneya

Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021

MKJ Manufacturing Pvt. Ltd.
Director

per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Balance Sheet As at March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

21 Disclosure U/s 22 of MSMDA, 2006

As per information available with the company no principal amount remained unpaid to Micro and Small Enterprises to the extent such parties have been identified on the basis of information received from suppliers regarding their status under MSMDA, 2006. Also no amount of interest is paid or payable as per provisions of MSMDA, 2006

22 The company has no contingent liability and commitment outstanding as at March 31, 2021

23 Related party disclosures

Name of related parties and description of relationship

Key managerial personnel

Navdeep Varshney	- Director
Yash Todi	- Director
Neeru Gupta	- Director
Genus Power Infrastructures Limited	- Associates

Relatives to key managerial personnel

R.K.Commodities Services Pvt. Ltd.
Genus International Commodities Limited

Transactions with related parties

Particulars	March 31, 2021	March 31, 2020
Loans given	422.95	11.65
Interest received	23.69	-
Deposit re-paid	264.15	-
Balance receivable	180.71	422.95

24 Earning per Equity Shares (EPS)

Particulars	March 31, 2021	March 31, 2020
Profit available for equity shareholders (Profit after tax)	71,51,551	81,05,019
Weighted average number of equity shares	98,670	98,670
Basic earning per shares (in INR)	72.48	82.14
Diluted earning per shares (in INR)	72.48	82.14

25 Capital Management

For the purpose of companies capital management, capital includes equity capital and all other equity reserves attributable to the equity holders. The prime objectives of the Company's capital management is to maximize the shareholders value and keep the debt equity ratio within acceptable range. The company manages its capital structure and make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN: 012917N



[Deepak Khanna]

Partner

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

For and on behalf of the Board of Directors of

MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd.


Director

per Navdeep Varshneya

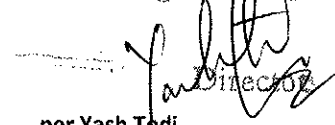
Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021

MKJ Manufacturing Pvt. Ltd.


Director

per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

Notes to the financial statement for the year ended March 31, 2021
(All amounts are in Indian Rupees except share data and unless otherwise stated)

3 Property, plant and equipment including capital work in progress

	Land	Building	Electrical Fittings	Project Development	Furniture & Fixtures	Plant and Machinery	Cycle	Computer	Capital Work in Progress	Total
Gross Carrying Value (Cost or deemed cost)										
At March 31, 2019	9,75,839	7,22,83,925	13,03,525	73,53,160	46,10,686	72,74,144	-	-	87,56,727	10,25,58,006
Additions	-	1,06,71,609	-	-	45,195	-	-	55,924	(87,56,727)	20,16,001
At March 31, 2020	9,75,839	8,29,55,533	13,03,525	73,53,160	46,55,881	72,74,144	-	55,924	-	10,45,74,006
Additions	-	26,23,359	-	-	79,153	-	20,970	-	-	27,23,482
At March 31, 2021	9,75,839	8,55,78,892	13,03,525	73,53,160	47,35,034	72,74,144	20,970	55,924	-	10,72,97,488
Depreciation										
At March 31, 2019	-	19,54,120	2,13,512	-	10,254	1,97,033	-	-	-	23,74,919
Charge for the year	-	11,54,901	1,23,835	9,543	4,41,244	4,60,696	-	10,161	-	22,00,380
At March 31, 2020	-	31,09,021	3,37,347	9,543	4,51,498	6,57,729	-	10,161	-	45,75,299
Charge for the year	-	13,31,852	1,23,835	1,16,425	4,44,573	4,60,696	1,157	17,709	-	24,96,247
At March 31, 2021	-	44,40,873	4,61,182	1,25,968	8,96,071	11,18,425	1,157	27,870	-	70,71,546
Net Book value										
At March 31, 2019	9,75,839	7,03,29,805	10,90,013	73,53,160	46,00,432	70,77,111	-	-	87,56,727	10,01,83,087
At March 31, 2020	9,75,839	7,98,46,513	9,66,178	73,43,617	42,04,383	66,16,415	-	45,763	-	9,99,98,707
At March 31, 2021	9,75,839	8,11,38,020	8,42,343	72,27,192	38,38,963	61,55,719	19,813	28,054	-	10,02,25,942

Note 1 : Depreciation on Land, Building Construction, Building Designing, Electric Fitting has not been taken as the same is used for renting.

Note 2 : On Additions, Depreciation has been claimed for Half Year only.

As per our report of even date

For D Khanna & Associates

Chartered Accountants

FRN:012917N

Chartered Accountants

(Deepak Khanna)

Partner

Membership No. 092140

Place: Jaipur

Date: 20.05.2021

For and on behalf of the Board of Directors of
MKJ Manufacturing Private Limited

MKJ Manufacturing Pvt. Ltd.

per Navdeep Varshneya
Director

per Navdeep Varshneya

Director

DIN : 00508417

Place: New Delhi

Date: 20.05.2021

MKJ Manufacturing Pvt. Ltd.

per Yash Todi
Director

per Yash Todi

Director

DIN : 08034207

Place: Jaipur

Date: 20.05.2021

MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Notes to the financial statement for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

1 Corporate Information

MKJ Manufacturing Private Limited (the "Company") is a private company domiciled in India. The company is primarily engaged in the business of To Construct / Purchase / Hold / Rent or let on hire properties and manufacturing / production / assembling of all kinds of Automatic identification system, Mechanical & Electronic devices, Barcode Printers, Computer Accessories & other Computer Peripherals & Software Solutions, to trade in all types of Acids. The registered office of the company is located at A-12, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110024.

2 Significant Accounting Policies

2.1 Basis of Preparation

The financial statement of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2021, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). These financial statements for the year ended 31 March 2018 are the first financial statements, the Company has prepared in accordance with Ind AS.

The standalone financial statements are presented in Indian Rupees (INR).

2.2 Summary of Significant Accounting Policies

a Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- > Expected to be realised or intended to be sold or consumed in normal operating cycle,
- > Held primarily for the purpose of trading
- > Expected to be realised within twelve months after the reporting period, or
- > Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

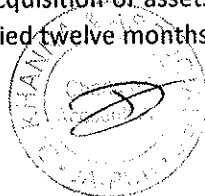
All other assets are classified as non-current.

A liability is current when:

- > It is expected to be settled in normal operating cycle,
- > It is held primarily for the purpose of trading,
- > It is due to settled within twelve months after the reporting period, or
- > There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Notes to the financial statement for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

b Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company had concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

Rental Income:

Rental income is recognised as & when the Rent becomes due.

c Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

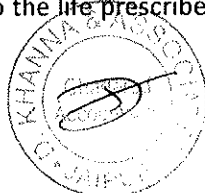
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

d Property, Plant & Equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property as deemed cost at the date of acquisition since they were broadly comparable to fair value and there is no change in the functional currency of the Company. The Company has also determined that cost of acquisition or construction does not differ materially from fair valuation as at date of transaction to Ind AS.

Property, plant and equipment are stated at cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit & loss as incurred.

Depreciation is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by the management, which is equal to the life prescribed under the schedule II to the Companies Act, 2013.



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Notes to the financial statement for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

e Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

f Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- * Debt instruments at amortised cost
- * Debt instruments at fair value through other comprehensive income (FVTOCI)
- * Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

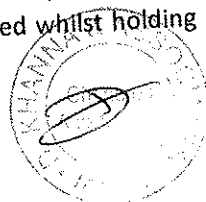
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On the recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Notes to the financial statement for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL

Debt instrument included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments:

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- a) the rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset, and
 - (i) the Company has transferred substantially all the risks and reward of the asset, or
 - (ii) the Company had neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Derecognition

A financial liability is derecognised 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 and Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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 realise the assets and settle the liabilities simultaneously.

g Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.



MKJ Manufacturing Private Limited

CIN : U74899DL1994PTC061902

Notes to the financial statement for the year ended March 31, 2021

(All amounts are in Indian Rupees except share data and unless otherwise stated)

h Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

i Contingent Liability and contingent assets

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise the contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise the contingent assets but discloses its existence in the financial statements.

