

Independent Auditor's Report

To the Members of
M/s Varamahalakshmi Holdings Private Limited

Report on Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **M/s Varamahalakshmi Holdings Private Limited** (the Company), which comprise the Balance Sheet as at 31st March 2020 and the Statement of Profit and Loss and Statement of Cash flows for the year then ended and notes to the financial statements including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.



4. 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 standalone 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.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.
7. 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.
8. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.





- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position significantly.
 - (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 B. Vithlani & Co.,
Chartered Accountants



Bhavesh R Vithlani
Partner
M.No. 213135
Firm Regn No. 011505S



Place : Hyderabad
Date : 16-Dec-2020.
UDIN : 21213135AAAADG7922

Annexure – A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **M/s Varamahalakshmi Holdings Private Limited** ("the Company") as of 31st March 2020 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable



assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.


Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For B. Vithlani & Co.,
Chartered Accountants


Bhavesh R Vithlani
Partner
M.No. 213135
Firm Regn No. 0115055



Place : Hyderabad
Date : 16-Dec-2020.
UDIN : 21213135AAAADG7922

Particulars	Note No.	As At 31.03.2020	As At 31.03.2019
A Equity and Liabilities:			
Shareholders' funds			
Share capital	1	100,000	100,000
Reserves and surplus	2	246,888	(333,499)
Money received against share warrants			
Share application money pending allotment	3		
Non-current liabilities			
Long-term borrowings	4	6,000,004	6,301,748
Deferred tax liabilities (net)			
Other long-term liabilities	5	-	-
Long-term provisions	6	-	-
Current liabilities			
Short-term borrowings	7	39,991,891	40,824,000
Trade payables	8		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		-	2,550,000
Other current liabilities	9	43,824,815	128,554,208
Short-term provisions	10	-	-
TOTAL		90,163,599	177,996,456
B Assets:			
Non-current assets			
Property, Plant and Equipment	11		
Tangible assets		11,666,706	11,862,362
Intangible assets		-	-
Capital work-in-progress		-	-
Intangible assets under development			
Non-current investments	12	10,197,278	10,010,000
Deferred tax assets (net)		-	-
Long-term loans and advances	13	-	-
Other non-current assets	14	-	-
Current assets			
Current investments		-	-
Inventories	15	67,332,830	67,332,830
Trade receivables	16	-	-
Cash and Bank Balances	17	145,256	2,774,835
Short-term loans and advances	18	102,000	85,004,000
Other current assets	19	719,529	1,012,429
TOTAL		90,163,599	177,996,456

Other relevant Notes to Financial Statements 25 to 36

Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my audit report of even date
 For B. Vithlani & Co.,
 Chartered Accountants

For and on behalf of the board

Bhavesh R Vithlani
 Partner
 Membership No.213135
 F. No.0115055

Place: Hyderabad
 Date: 16th Dec, 2020




 Venkata Rajesh Annam
 Director
 DIN : 02428274


 Ch.D.V.V. Prasad Rao
 Director
 DIN: 02304831

Statement of Profit and Loss for the period ending on 31.03.2020

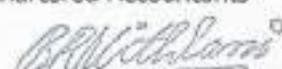
Particulars	Note No.	For the Year ended 31.03.2020	For the Year ended 31.03.2019
A Continuing Operations:			
1 Revenue from operations	20	-	-
Less: Excise Duty		-	-
Revenue from Operations (Net)		-	-
2 Expenses			
Cost of materials consumed		-	-
Purchases of stock-in-trade	21	-	3,602,830
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-	(3,602,830)
Other expenses	23	168,775	86,516
Total Expenses		168,775	86,516
3 Profit / (Loss) before exceptional and extraordinary items interest, tax and depreciation and amortisation (1 - 2)		(168,775)	(86,516)
4 Finance Costs	24	634,189	687,104
5 Depreciation and amortisation expense	11	195,656	195,122
6 Other income	25	1,579,008	1,380,700
7 Profit / (Loss) before exceptional & extraordinary items and tax (3 - 4 - 5 + 6)		580,388	411,958
8 Exceptional items		-	-
9 Profit / (Loss) before extraordinary items and tax (7 - 8)		580,388	411,958
10 Extraordinary items		-	-
11 Profit / (Loss) before tax (9 -10)		580,388	411,958
12 Tax expense:			
Provision for Income Tax			
MAT Credit Entitlement		-	(9,996)
Current Year		-	9,996
Previous Year		-	-
Provision for Deferred Tax			
13 Profit/(Loss) from continuing operations (11-12)		580,388	411,958
B Discontinuing Operations			
14 Profit / (Loss) from discontinuing operations (before tax)		-	-
15 Tax expense of discontinuing operations		-	-
16 Profit / (Loss) from discontinuing operations (after tax) (14-15)		-	-
C Total Operations			
17 Profit / (Loss) for the year (13 + 16)		580,388	411,958
18 Earnings per equity share:			
- Basic		58.04	41.20
- Diluted		58.04	41.20

Other relevant Notes to Financial Statements 25 to 36

Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my audit report of even date

For B. Vithlani & Co.,
Chartered Accountants



Bhavesh R Vithlani
Partner
Membership No.213135
F. No.0115055
Place: Hyderabad
Date: 16th Dec, 2020



For and on behalf of the board



Venkata Rajesh Annam
Director
DIN : 02428274



Ch.D.V.V.Prasad Rao
Director
DIN: 02304831

Varamahalakshmi Holdings Private Limited
#6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
Cash Flow Statement for the Year ended 31.03.2020

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
A. Cash flow from Operating activities		
Net Profit before tax as per Profit and loss account	580,388	411,958
Adjustments		
(Profit) / Loss on sale of fixed assets (net)	-	-
(Profit) / Loss on sale of investments (net)	-	-
Depreciation and Amortisation Expense	195,656	195,122
Preliminary Expenditure Written Off	-	-
Other Income	-	-
Interest on Capital & Share of Profit from LLP	(187,278)	(700)
Effect of Exchange Rate change	-	-
Finance Costs	634,189	687,104
	<u>1,222,955</u>	<u>1,293,484</u>
(Increase)/Decrease in Trade and Other Receivables	-	-
(Increase)/Decrease in Inventories	-	(3,602,830)
Increase/(Decrease) in Trade Payables	(2,550,000)	2,550,000
Changes in Other Current Assets	496,900	(190,429)
Increase/(Decrease) in Other Current Liab. /Short Term Prov.	(84,729,393)	(18,466,468)
Cash generated from Operations	<u>(85,559,538)</u>	<u>(18,416,243)</u>
Direct Taxes paid	(204,000)	(204,000)
Net Cash from Operating activities	<u>(85,763,538)</u>	<u>(18,620,243)</u>
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets (Net)	-	-
Capital Work-in-progress	-	-
(Purchase) / Sale of Investments (Net)	-	(10,000)
Interest on Capital & Share of Profit from LLP received in Cash / Bank	-	700
(Profit) / Loss on sale of Investments	-	-
Investment in Companies	-	-
Movement in Loans & Advances	84,902,000	24,550,837
Changes in Other Non current Assets	-	-
Increase/(Decrease) in Other Long Term Liab. / Long Term Prov.	-	-
Other Income	-	-
Cash flow before exceptional items	<u>84,902,000</u>	<u>24,541,537</u>
Exceptional Items	-	-
Net Cash from Investment Activities	<u>84,902,000</u>	<u>24,541,537</u>
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Proceeds / (Repayment) from Borrowings	(1,133,852)	(2,773,820)
Finance Costs	(634,189)	(687,104)
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-
Net cash used in financing activities	<u>(1,768,041)</u>	<u>(3,460,924)</u>
Net (Decrease) / Increase in cash and cash equivalents	<u>(2,629,579)</u>	<u>2,460,370</u>
Cash and cash equivalents at the beginning of the year	2,774,835	314,465
Cash and Cash equivalents at the end of the year	145,256	2,774,835

As per my audit report of even date

For B. Vithlani & Co.,
Chartered Accountants

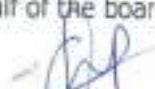
Bhavesh R Vithlani
Partner
Membership No.213135
F. No.011505S
Place: Hyderabad
Date: 16th Dec, 2020





Venkata Rajesh Annam
Director
DIN : 02428274

For and on behalf of the board



Ch. D. V. V. Prasad Rao
Director
DIN: 02304831

Varamahalakshmi Holdings Private Limited
 #6-3-790/B, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
 Notes forming part of Financial Statements As At 31.03.2020
 Note No: 1 Share Capital

S. No.	Particulars	As At 31.03.2020		As At 31.03.2019	
		Number	Amount	Number	Amount
(i)	Authorised Equity Shares of Rs. 10/- each with Voting Rights	10,000	100,000	10,000	100,000
(i)	Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights	10,000	100,000	10,000	100,000
	Total	10,000	100,000	10,000	100,000

(a) Reconciliation of number of shares:

S.No.	Particulars	As At 31.03.2020		As At 31.03.2019	
		Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
2	Equity Shares Issued during the year				
3	Equity Shares bought back during the year				
4	Equity Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by Shareholders holding more than 5 % of the shares in the company:

S.No.	Particulars	As At 31.03.2020		As At 31.03.2019	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	<u>Equity Shares with Voting Rights</u>				
1	Chalavadi Naga Kanaka Durga Prasad	6000	60.00%	6000	60.00%
2	Annam Kalyan Srinivas	1500	15.00%	1500	15.00%
3	Chalavadi Mohana Durga Rao	750	7.50%	750	7.50%
4	Ch.D.K.Durga Rao	750	7.50%	750	7.50%
5	Annam Subhash Chandra Mohan	500	5.00%	500	5.00%
6	Annam Venkata Rajesh	500	5.00%	500	5.00%

(d) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

S.No.	Particulars	No. of shares	
		As At	As At
		31.03.2020	31.03.2019
		Nil	Nil

Clause (e), (f), and (h) to (l) of the Note 6(A) to the Schedule III of the Companies Act, 2013 is not applicable.

Rajith






Varamahalakshmi Holdings Private Limited
#6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019
4	Note: Long Term Borrowings		
	Secured		
	a) Term Loans *		
	i) From Banks		
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	-	-
	ii) From NBFC's	6,301,748	6,575,568
	Less: The amount represents repayment due in next 12 months classified under head "Other Current Liabilities" (Not no.9)	301,743	273,820
		<u>6,000,004</u>	<u>6,301,748</u>
	Unsecured	-	-
		<u>6,000,004</u>	<u>6,301,748</u>
	The Company has borrowed from above Directors on the following terms & conditions:		
	Terms & Conditions		
	Rate of Interest		
	Security		
	Terms of Repayment		
5	Note: Other Longterm Liabilities		
	Other Liabilities	-	-
		<u>-</u>	<u>-</u>
6	Note: Long Term Provisions		
	Provisions - Others	-	-
		<u>-</u>	<u>-</u>
7	Note: Short Term Borrowings		
	Secured		
	Loans repayable on demand from Banks	-	-
	Loans repayable on demand from Others	-	-
	Unsecured		
	Loans from Related Parties	-	-
	Other Loans and Advances	39,991,891	40,824,000
		<u>39,991,891</u>	<u>40,824,000</u>



Varamahalakshmi Holdings Private Limited
 #6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
 Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019
8	Note: Trade Payables		
	Dues to Micro, Small and Medium Enterprises *		
	Dues to Others	-	2,550,000
		-	2,550,000
	* The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:		
	information with the company is as under:		
	1. Principal amount due and remaining unpaid as at year end	-	-
	2. Interest due on above and remaining unpaid as at year end	-	-
	3. Principal amount paid beyond the appointed day during the year	-	-
	4. Interest paid on payments made beyond the appointed day during the year U/Sec 16 of MSMED Act, 2006	-	-
	5. Interest due and Payable on payments made beyond the appointed day during the year other than MSMED Act, 2006	-	-
	6. Interest remaining due and payable for the period of delay in earlier years	-	-
	The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.		
9	Note: Other Current Liabilities		
	<u>Current Maturities of Long Term Debt (Secured)</u>		
	Term Loans from NBFC's	301,743	273,820
	Interest Accrued & Due on Borrowings	-	-
	Advances received from Customers	43,217,702	128,017,702
	Share application money received / Refund		-
	Other Payables	305,370	262,686
		43,824,815	128,554,208
	Expenses Payable	305,370	262,686
	Statutory Payable	-	-
10	Note: Short Term Provisions		
	Provisions for Employee Benefits		
	Provisions - Others	-	-
	Provision for Taxes	-	-
		-	-



Varamahalakshmi Holdings Private Limited
#6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019
12	Note: Non-current investments		
	Investment in Instruments (Un Quoted)		
	In Meliora Asset Reconstruction Company Limited		
	Equity Shares	10,000,000	10,000,000
	Preference Shares		
	(4,00,000 , 9% Compulsorily Convertible Cumulative Preference shares of Rs.10/- each fully paid-up and at the premium of Rs.15/- converted into 4,00,000 Equity shares in FY 18-19)		
	Capital Investment in Soul of Pluto Tech LLP	197,278	10,000
		<u>10,197,278</u>	<u>10,010,000</u>
13	Note: Long Term Loans & Advances		
	(a) Capital Advances	-	-
	(b) Security Deposits	-	-
	(c) Loans & Advances to related parties	-	-
	(d) Loans & Advances to Employees	-	-
	(e) Prepaid Expenses	-	-
	(f) Advance Income Tax (Unsecured, Considered good)	-	-
	(g) MAT Credit Entitlement	-	-
	(h) Balances with Government Authorities	-	-
	(i) Other Loans & Advances	-	-
		<u>-</u>	<u>-</u>
	Less: Provision for other doubtful loans & advances	-	-
		<u>-</u>	<u>-</u>
	Note: Long Term Loans & Advances include amounts due from		
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-
14	Note: Other Non-Current Assets		
	(a) Long-term trade receivables	-	-
	(b) Unamortised expenses * (to the extent not written off or not adl.)		
	(i) Ancillary borrowing costs	-	-
	(ii) Share issue expenses	-	-
	(iii) Discount on shares	-	-
	(iv) Other Expenses	-	-
	Preliminary Expenditure	-	-
	(c) Accruals	-	-
	(d) Other Non-current Assets		
	Electricity Deposits	-	-
	Rent Deposit	-	-
	Telephone Deposit	-	-
	Other Deposits	-	-
		<u>-</u>	<u>-</u>



Varamahalakshmi Holdings Private Limited
 #6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
 Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019
15	Note: Inventories:		
	(a) Raw materials		
	Goods-in-transit		
	(b) Work-in-progress	63,730,000	63,730,000
	Goods-in-transit		
	(c) Finished goods (other than those acquired for trading)		
	Goods-in-transit		
	(d) Stock-in-trade (acquired for trading)	3,602,830	3,602,830
	Goods-in-transit		
	(e) Stores and spares		
	Goods-in-transit		
	(f) Loose tools		
	Goods-in-transit		
	(g) Others (Specify nature)		
	Goods-in-transit		
		<u>67,332,830</u>	<u>67,332,830</u>
	* Mode of valuation:		
	Finished Goods		: At lower of cost or net realisable value
	Work in progress		: At lower of cost or net realisable value
	Raw Materials		: At lower of cost or net realisable value
16	Note: Trade Receivables		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
	Other Trade Receivables		
	Secured, considered good	-	-
	Unsecured, considered good	-	-
	Doubtful	-	-
		<u>-</u>	<u>-</u>
	Less: Provision for doubtful trade receivables		
		<u>-</u>	<u>-</u>
	Note: Trade Receivables include amounts due from		
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-
17	Note: Cash and Bank Balances		
	(a) Cash and Cash Equivalents		
	(i) Balances with banks;		
	In Deposit Accounts		
	In Current Accounts	139,436	2,769,015
	(ii) Cheques, drafts on hand		
	(iii) Cash on hand	5,820	5,820
	(b) Other Bank balances		
	In Deposit Accounts	-	-
		<u>145,256</u>	<u>2,774,835</u>



Varamahalakshmi Holdings Private Limited
 #6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
 Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	As At 31.03.2020	As At 31.03.2019
18	Note: Short Term Loans & Advances		
	(a) Loans and advances to related parties		
	(b) Security deposits		
	(c) Loans and advances to employees		
	(d) Prepaid expenses - Unsecured, considered good		
	(e) Balances with government authorities		
	Unsecured, considered good		
	Advance Tax and TDS	102,000	204,000
	VAT Credit		
	(f) Inter-corporate deposits		
	(g) Other Loans & Advances	-	84,800,000
		<u>102,000</u>	<u>85,004,000</u>
	Less: Provision for other doubtful loans and advances		
		<u>102,000</u>	<u>85,004,000</u>
	Note: Short Term Loans & Advances include amounts due from		
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director or his Relative is a partner	-	-
	Companies in which any director is a director or member	-	-
19	Note: Other Current Assets		
	(a) Unbilled revenue	-	-
	(b) Unamortised expenses	-	-
	(c) Accruals	-	-
	(d) Other Current Assets	719,529	1,012,429
		<u>719,529</u>	<u>1,012,429</u>



Varamahalakshmi Holdings Private Limited
 #6-3-790/B, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad - 500 016
 Notes forming part of Financial Statements As At 31.03.2020
 Note 11. Property, Plant and Equipment

(Amount INR)

S. No.	Particulars	Gross Block								Balance As At 31.03.2020	
		Balance As At 01.04.2019	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign exchange differences	Borrowing cost capitalised		Other Adj.
		1	2	3	4	5	6	7	8	9	
A	Tangible assets :										
(a)	Civil Works										
	Owned	12,331,350	-	-	-	-	-	-	-	-	12,331,350
	Taken under finance	-	-	-	-	-	-	-	-	-	-
	Given under operating	-	-	-	-	-	-	-	-	-	-
(b)	Plant & Machinery										
	Owned	-	-	-	-	-	-	-	-	-	-
	Taken under finance	-	-	-	-	-	-	-	-	-	-
	Given under operating	-	-	-	-	-	-	-	-	-	-
(c)	Computers & Software *										
	Owned	-	-	-	-	-	-	-	-	-	-
	Taken under finance	-	-	-	-	-	-	-	-	-	-
	Given under operating	-	-	-	-	-	-	-	-	-	-
(d)	Furniture and Fixtures										
	Owned	-	-	-	-	-	-	-	-	-	-
	Taken under finance	-	-	-	-	-	-	-	-	-	-
	Given under operating	-	-	-	-	-	-	-	-	-	-
(e)	Vehicles										
	Owned	-	-	-	-	-	-	-	-	-	-
	Taken under finance	-	-	-	-	-	-	-	-	-	-
	Given under operating	-	-	-	-	-	-	-	-	-	-
	Total (A)	12,331,350									12,331,350
	Previous Year	(12,331,350)									(12,331,350)
B	Intangible assets										
	Total (B)										
	Previous Year										
	Grand Total (A + B)	12,331,350									12,331,350

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Varamahalakshmi Holdings Private Limited
 #6-3-790/8, Flat No.1, Bathina Apartment, Ameerpet, Hyderabad -500 016
 Notes forming part of Financial Statements As At 31.03.2020

Note No.	Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
20	Note: Revenue from Operations		
	Sale of products	-	-
	Domestic	-	-
21	Note: Purchases		
	Purchases / Direct Expenses	-	3,602,830
22	Note: Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	<u>Inventories at the end of the year:</u>		
	Finished goods (acquired for trading)	63,730,000	63,730,000
	Work-in-progress	3,602,830	3,602,830
	Stock-in-trade	67,332,830	67,332,830
	<u>Inventories at the beginning of the year:</u>		
	Finished goods	63,730,000	63,730,000
	Work-in-progress	3,602,830	-
	Stock-in-trade	67,332,830	63,730,000
	Net increase / (decrease)	-	3,602,830.00
23	Note: Other Expenses		
	Audit Fee	15,000	10,000
	Consultation Charges	5,900	53,100
	ROC Charges	900	8,400
	Property Tax A/c	-	15,016
	Common Area Maintenance Charges	146,975	-
		168,775	86,516
24	Note: Finance Costs		
	Interest Expense		
	Interest	633,953	654,435
	Interest on Income Tax & TDS	-	32,551
	Other Borrowing Costs:		
	Loan Processing Charges	-	-
	Other Finance Expenses		
	Bank Charges	236	118
		634,189	687,104
25	Note: Other Income		
	Preference Dividend	360,000	360,000
	Rent Income	1,020,000	1,020,000
	Interest on Capital in SOPT	21,137	700
	Share of Profit from LLP*	166,141	-
	Interest on IT Refund	11,730	-
		1,579,008	1,380,700



B. VITRILAN & CO.

* Share of Profit received from "Soul of Pluto Tech LLP"

B. VITRILAN & CO.

Varamahalakshmi Holdings Private Limited
Notes forming part of Financial Statements As At 31.03.2020
Note No. 28 Related Party Disclosures

S.No.	Name of the Related Party	Nature of Relationship	FY 2019-20				FY 2018-19				Total	Total		
			KMP	Relative of KMP	EDS	Total	KMP	Relative of KMP	EDS	Total				
			[INR in Rs]				[INR in Rs]							
1	Annamm Venkata Rajesh	Key Managerial Person												
2	Ch.D.V.V.Prasad Rao	Key Managerial Person												
3	ChMKD Prasad	Relative of KMP												
4	Annamm Subhash Chandra Mohan	Relative of KMP												
5	Sai Silks(Kalamandir)Ltd	Enterprise Overwhich director is having significant Influence (EDS)												
6	Atrium Textiles Private Limited	Enterprise Overwhich director is having significant Influence (EDS)												
Transactions with Related Parties:														
1	Amount Taken													
	CH N K D Prasad												7,490,000	
	Annamm Venkata Rajesh												5,050,000	
2	Rental Income													
	Sai Silks(Kalamandir)Ltd												1,020,000	
3	Loans & Advances Received Back													
	Atrium Textiles Private Limited												24,652,837	
Balances with Related Parties As At 31.03.2020:														
S.No.	Nature of Transaction		KMP	Relative of KMP	EDS	Total	KMP	Relative of KMP	EDS	Total	KMP	Relative of KMP	EDS	Total
1	Short Term Loans													
2	Current Liabilities													
	Annamm Subhash Chandra Mohan													17,722,100
	Annamm Venkata Rajesh													8,153,362
	CH N K D Prasad													7,490,000
4	Other Current Assets													
	Sai Silks(Kalamandir)Ltd													719,529
														1,012,429



(Signature)

(Signature)

Note No. 25: Significant Accounting Policies:

"M/s Varamahalakshmi Holdings Private Limited" (The Company) was incorporated under the companies Act, 1956, its CIN U70200TG2012PTC084259, and the Accounting Policies followed by the company are as follows:

1. Basis of Accounting;

The Financial Statements are prepared under the historical cost convention on an accrual basis and in accordance with applicable Accounting Standards notified by the Government of India / issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2. Use of Estimates;

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. Fixed Assets and Depreciation;

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they related to the period till such assets are ready to be put to use.

Depreciation is provided on **Straight Line Method** as per the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 with reference to the month of acquisition / installation / launching of new stores. Depreciation on assets sold, scrapped or demolished during the year is being provided at their respective rates up to the month in which such assets are sold, scrapped or demolished as required by Schedule II to the Companies Act, 2013.

4. Intangible assets and amortization

Softwares which are not integral part of the hardware are classified as intangibles and is stated at cost less accumulated amortization.

5. Borrowing Cost;

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

6. Investments;

Long-term Investments are stated at cost. Provision for diminution is being made if necessary to recognize a decline, other than temporary in the value thereof.

7. Inventories;

Inventories are valued as follows;

- | | |
|---------------------|--|
| a) Raw Materials | : At lower of cost or net realizable value |
| b) Work in progress | : At lower of cost or net realizable value |
| c) Finished Goods | : At lower of cost or net realizable value |





Cost of Inventories comprises of all costs incurred for bringing the inventories to their present location and condition. Net Realizable Value is the estimated selling price less the estimated costs of completion and estimated costs necessary to make the same.

8. Transactions in Foreign Currency;

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account.

9. Revenue Recognition;

Revenue from projects:

Company follows the percentage of completion method for its projects. Under this method, the company recognizes revenue in proportion to the actual cost incurred as against the total estimated cost of the project under execution subject to completion of construction work to a certain level depending on the type of project.

Cost of land and / or development rights is not included in computing the stage of percentage of project completion.

Revenue is recognized on execution of either an agreement or a either of allotment.

The estimates relating to percentage of completion, costs to completion, area available for sale etc. being of a technical nature are reviewed and revised periodically by the management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognized prospectively in the period in which such changes are determined.

Revenue is recognized net of indirect taxes.

Other Revenue:

Interest income is recognized on accrual basis. Dividend income is accounted for when the right to receive is established. Claims are accounted when there is reasonable certainty of its ultimate collection.

10. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

11. Impairment of Assets;

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

12. Leases;

Operating lease payments are recognized as an expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users' benefit.

B. P. Wadhvani



13. Income tax expenses comprise current tax & deferred tax charges or credit.

Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax. The net effect has been added under the head Provision for Tax.

14. Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes if any) by weighted average number of equity shares outstanding during the year.

For the purpose of calculating Dilute earnings per share, the net profit/(loss) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

15. Preliminary Expenditure;

Preliminary Expenditure will be expensed completely in the year in which it is incurred and this is in tune with para 56 of AS-26.

16. Provision for current and deferred tax;

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

As per my audit report of even date

For B. Vithlani & Co.,
Chartered Accountants


Bhavesh R Vithlani
Partner
Membership No.213135
F. No.0115055

Place: Hyderabad
Date: 16th Dec, 2020



For and on behalf of the board



**Venkata
Rajesh Annam**
Director
DIN : 02428274



**Ch.D.V.V. Prasad
Rao**
Director
DIN: 02304831