

**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
 PLOT NO 76 & 76A, 2nd Floor, RAMKRUPA TOWERS, JUBILEE ENCLAVE, MADILAPUR, HYDERABAD, Raegareddi, TG 500081, INDIA  
 CIN : U74999TG2018PTC127147  
**BALANCE SHEET FOR THE YEAR ENDED AS ON 31.03.2021**

	PARTICULARS	Note No.	As at 31.03.2021		As at 31.03.2020	
			Rs.	Rs.	Rs.	Rs.
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>					
1.	Shareholders' funds					
	(a) Share Capital	1	1,25,00,000		1,00,00,000	
	(b) Reserves and Surplus	2	1,84,45,582		72,17,329	
	(c) Money received against share warrants			3,09,45,582		1,72,17,329
2.	Share application money pending allotment					
3.	Non-current liabilities					
	(a) Long-term borrowings	3	1,84,12,586		16,46,845	
	(b) Deferred Tax liabilities (Net)	4	4,45,623		57,944	
	(c) Other Long term liabilities			1,88,58,209		17,04,789
	(d) Long-term Provisions					
4.	Current Liabilities					
	(a) Short term borrowings	5	2,99,03,673		-	
	(b) Trade payables	6	1,36,39,619		98,28,797	
	(c) Other current liabilities	7	2,97,00,242		2,67,75,726	
	(d) Short term provisions	8	37,13,012		18,69,135	
				7,69,56,547		3,84,73,657
	<b>TOTAL</b>			<b>12,67,60,338</b>		<b>5,73,95,775</b>
<b>II</b>	<b><u>ASSETS</u></b>					
1.	Non-current assets					
	(a) Fixed assets	9				
	(i) Tangible assets		25,00,580		28,32,092	
	(ii) Intangible assets		2,03,17,574		20,47,594	
	(iii) Capital work-in-progress		-		-	
	(iv) Intangible assets under		-		-	
	(b) Non-current investments		-		-	
	(c) Deferred tax assets (net)		-		-	
	(d) Long-term loans and advances		-		-	
	(e) Other non-current assets	10	13,70,500		20,80,800	
				2,41,88,653		69,60,487
2.	Current assets					
	(a) Current investments		-		-	
	(b) Inventories	11	-		18,95,782	
	(c) Trade receivables	12	8,30,37,068		4,33,72,242	
	(d) Cash and Bank Balances	13	1,38,80,149		3,76,998	
	(e) Short-term loans and advances	14	18,09,458		29,41,356	
	(f) Other current assets	15	38,45,010		18,48,910	
				10,25,71,685		5,04,35,288
	<b>TOTAL</b>			<b>12,67,60,338</b>		<b>5,73,95,775</b>
	Significant Accounting policies and Notes to Accounts	23				

**Note:** Figures of Previous period/year have been regrouped wherever necessary to make them comparable with the current periods figures

In terms of our report attached.

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN : 008801S/S200074


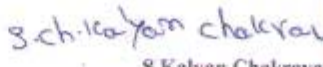
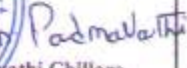
*M. Ranga Babu*  
 (M Ranga Babu)  
 Partner  
 M.No. 218544  
 UDIN : 21218544AAAAADF7943

Place : Hyderabad  
 Date : 26.11.2021

For on behalf of Board of Directors

*S. Kalyan Chakravarthy*  
 S Kalyan Chakravarthy  
 Managing Director  
 DIN : 08104981

*Ch. Padmavathi*  
 Ch. Padmavathi  
 Director  
 DIN : 08160329

<b>M/s. MACHINT SOLUTIONS PRIVATE LIMITED</b> PLOT NO 76 & 76A, 2nd Floor, RAMKRUPA TOWERS, JUBILEE ENCLAVE, MADHAPUR, HYDERABAD, Rangareddi, TG 500081, INDIA CIN : U74999TG2018PTC127147 <b>PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2021</b>					
PARTICULARS	Note No.	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
				Rs.	Rs.
<b>Revenue from operations:</b>					
Sale of Goods					
Sale of Services	16	14,12,24,542	14,12,24,542	5,93,58,063	5,93,58,063
<b>Other Income</b>					
<b>Total Revenue (I + II)</b>			<b>14,12,24,542</b>		<b>5,93,58,063</b>
<b>Expenses</b>					
Purchases	17	73,86,906		37,91,564	
Changes in Inventory	18	18,95,782		(18,95,782)	
Direct Expenses	19	2,63,94,420		1,16,63,988	
Employee benefits expense	20	7,05,71,806		2,90,20,958	
Finance Costs	21	26,77,439		5,01,414	
Depreciation and amortization expense	9	22,39,237		6,30,972	
Other expense	22	1,51,19,034		84,61,597	
<b>Total Expense</b>			<b>12,62,84,624</b>		<b>5,21,74,711</b>
<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			<b>1,49,39,918</b>		<b>71,83,352</b>
<b>Exceptional Items</b>					
<b>Profit before extraordinary items and tax (V-VI)</b>			<b>1,49,39,918</b>		<b>71,83,352</b>
<b>Extraordinary items</b>					
<b>Profit before tax (VII-VIII)</b>			<b>1,49,39,918</b>		<b>71,83,352</b>
<b>Tax expense:</b>					
(1) Current tax		33,23,985		18,69,135	
(2) Deferred tax		3,87,679		48,873	
			<b>37,11,665</b>		<b>19,18,007</b>
<b>Profit/(Loss) for the period from continuing operations (IX - X)</b>			<b>1,12,28,253</b>		<b>52,65,345</b>
<b>Profit/(Loss) for the period from discontinuing operations</b>			-		-
<b>Tax expense of discontinuing operations</b>			-		-
<b>Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>					-
<b>Profit/(Loss) for the period (XI + XIV)</b>			<b>1,12,28,253</b>		<b>52,65,345</b>
<b>Earnings per equity share:</b>					
(1) Basic			10.17		43.16
(2) Diluted			10.17		43.16
Significant Accounting policies and Notes to Accounts	23				
In terms of our report attached.  <div> <div> <b>For N S V R &amp; ASSOCIATES LLP</b>            Chartered Accountants            FRN : 008801S&amp;S280000    <b>(M Ranga Babu)</b>            Partner            M.No. 218544            UDIN : 21218544AAAAAD79943             Place : Hyderabad            Date : 26.11.2021         </div> <div> <b>For on behalf of Board of Directors</b>     <b>S Kalyan Chakravarthy</b>            Managing Director            DIN : 08104981         </div> <div>   <b>Padmayathi Chillara</b>            Director            DIN : 08160329         </div> </div>					



**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**

CIN : U74999TG2018PTC127147

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021**

PARTICULARS	As at 31.03.2021		As at 31.03.2020	
	Amount Rs.	Amount Rs.	Amount Rs.	Amount Rs.
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES</u></b>				
Net profit / (Loss) before tax & adjustments		1,12,28,253		52,65,345
Adjustments for :				
Depreciation	22,39,237		6,30,972	
Interest Received	-		-	
		22,39,237		6,30,972
<b>Operating Profit before Working Capital Change</b>		<b>1,34,67,491</b>		<b>58,96,317</b>
Adjustments for :				
Inventories	18,95,782		(18,95,782)	
Trade & Other Receivables	(3,96,64,826)		(3,75,20,926)	
Changes in other Current Liabilities	3,84,82,889		3,13,83,731	
Loans & Advance and other current assets	11,31,898		(19,60,658)	
Change in Other Current Assets	(19,96,099)	(1,50,356)	(8,30,792)	(1,08,24,427)
<b>Cash flow Before Tax and Extra Ordinary Items</b>		<b>1,33,17,135</b>		<b>(49,28,110)</b>
Tax Paid		-		-
Add: Prior Period Item (Bonus)		-		-
Less: Prior Period Expenses		-		-
<b>Net Cash flow from Operations before tax</b>		<b>1,33,17,135</b>		<b>(49,28,110)</b>
Less: Taxes Paid				
MAT				-
<b>Cash Flow from Operating Activities</b>		<b>1,33,17,135</b>		<b>(49,28,110)</b>
<b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>				
Fixed Assets Purchased	(2,01,77,703)		(51,27,158)	
Advances for fixed Assets	-		-	
Decrease/Increase in Deposits	7,10,300		(13,20,000)	
<b>Cash Flow from Investing activities</b>		<b>(1,94,67,403)</b>		<b>(64,47,158)</b>
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>				
Change in Share Capital	25,00,000		99,00,000	
Share Application money	-		-	
Borrowings Increase/Decrease	1,67,65,741		16,46,846	
Others	3,87,679		48,673	
<b>Cash Flow from Financing Activities</b>		<b>1,96,53,420</b>		<b>1,15,95,719</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>		<b>1,35,03,151</b>		<b>2,20,451</b>
<b>Cash &amp; Cash equivalents at the beginning of the year</b>		<b>3,76,998</b>		<b>1,56,547</b>
<b>Cash &amp; Cash equivalents at the end of the year</b>		<b>1,38,80,149</b>		<b>3,76,998</b>

In terms of our report attached.

For NSVR & ASSOCIATES LLP  
Chartered Accountants  
FRN : 008801S/520000

M. Ranga Babu  
Partner  
M. No. 218544  
UDIN : 21218544AAAAD77913

Place : Hyderabad  
Date : 26.11.2021

For and on behalf of the Board of Directors

S. Kalyan Chakravarthy

S Kalyan Chakravarthy  
Managing Director  
DIN : 08104981



Ch. Padmavathi  
Director  
DIN : 08160329

# NOTES FORMING PART OF ACCOUNTS

NOTE '1': SHARE CAPITAL				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>-Authorised Capital</b>				
12,50,000 Equity Shares of Rs. 10/- each		1,25,00,000		1,00,00,000
(Previous Year : 10,00,000 Equity shares of Rs. 10/- Each)				
<b>-Issued, Subscribed and Paid up Capital</b>				
12,50,000 Equity Shares of Rs. 10/- each fully paid-up.		1,25,00,000		1,00,00,000
Previous Year : 10,00,000 Equity Shares of Rs. 10/- Each)				
<b>TOTAL</b>		<b>1,25,00,000</b>		<b>1,00,00,000</b>
<b>- Reconciliation of Shares:</b>	<b>Nos</b>	<b>Amt(Rs)</b>	<b>Nos</b>	<b>Amt(Rs)</b>
Opening Share Capital	10,00,000	1,00,00,000	10,000	1,00,000
Add: Shares issued During the year	2,50,000	25,00,000	9,90,000	99,00,000
Add: Rights/Bonus Shares Issued	-	-	-	-
Total	12,50,000	1,25,00,000	10,00,000	1,00,00,000
Less: Buy back of Shares	-	-	-	-
Less Reduction in Capital	-	-	-	-
Closing Share Capital	12,50,000	1,25,00,000	10,00,000	1,00,00,000

## 1.1 Rights, preferences and restriction relating to each class of share capital :

**Equity shares:** The Company has one class of equity shares having a face value of 'Rs.10/- each . Each shareholder is eligible for one vote per share held.

## 1.2 Share Holding 5% or more of the shares : As at 31 Mar 2021

- Kalyan Chakravarthy Sanakkayala Managing Director held 4,72,011 equity shares of 'Rs.10/- each fully paid-up representing 37.76% of the paid up capital.
- Rajesh Sanakkayala CEO of the company held 5,28,489 equity shares of 'Rs.10/- each fully paid-up representing 42.28% of the paid up capital.
- Sri Rama Subbarao Kopparthi and Pratap Sanakkayala held 62,500 equity shares each of Rs. 10/- fully paid up respectively representing 5% of the paid up capital of the company

NOTE '2': RESERVES AND SURPLUS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>Capital Reserve</b>				
<b>General Reserve</b>				
<b>Profit and Loss Account</b>				
Opening Balance	72,17,329		19,51,984	
Add: Profit During The Year	1,12,28,253		52,65,345	
Less: Proposed Dividend (Incl .Tax)				
(Disclose Amt of Dividend Per Share)				
Transfer to Reserves				
Bonus Shares				
Closing Balance		1,84,45,582		72,17,329
<b>TOTAL</b>		<b>1,84,45,582</b>		<b>72,17,329</b>



S.Ch.Kalyan Chakravarthy





NOTE '3' : LONG TERM BORROWINGS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Vehicle loan from kotak bank	-	13,57,217	-	16,46,845
Unsecured Loans from Directors & Others	-	1,70,55,368	-	2,32,01,508
<b>TOTAL</b>		<b>1,84,12,586</b>		<b>2,48,48,353</b>

Note:

(i) Vehicle Loan: Secured by hypothecation of Vehicle with kotak Mahindra Bank Limited at a fixed rate of Interest of 8.75% Pa for 60 Months

NOTE '4' : DEFERRED TAX LIABILITY				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Net deferred tax liability	-	4,45,623	-	57,944
<b>TOTAL</b>		<b>4,45,623</b>		<b>57,944</b>

NOTE '5' : SHORT TERM BORROWINGS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Cash Credit Facility from Bandhan Bank(Secured)		2,99,03,673	-	-
<b>TOTAL</b>		<b>2,99,03,673</b>		<b>-</b>

Note:

1. Primary security: Secured by exclusive charge on current assets including stock, book debts and personal guarantee of all the directors of the company as on the date of sanction
2. Collateral Security : Mortgage of personal Assets of Mr. Rama Subba Rao Koppurthi (Director) and his wife Smt. Sirisha Koppurthi and Director Mr. Gopi Srinivasa Rao.

NOTE '6' : TRADE PAYABLES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Amount payable to sundry creditors				
For Services		1,30,93,868		95,38,104
For Others		5,45,751		2,90,693
<b>TOTAL</b>		<b>1,36,39,619</b>		<b>98,28,797</b>

\* There is no interest outstanding to Micro Small and Medium Enterprises as on 31/03/2021



S. Ch. Ka. Ram Chakrabarti



Ch. Padmalathi

NOTE '7' : OTHER CURRENT LIABILITIES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Salaries Payable	84,50,725		7,89,502	
Audit Fee Payable	95,000		45,000	
		85,45,725		8,34,502
<b>Statutory Liabilities :</b>				
TDS on Rent	5,08,551		2,14,066	
TDS On Interest	70,425		47,250	
TDS on Professionals	18,63,397		10,40,591	
TDS on Salaries	66,26,463		6,40,427	
ESI Payable	2,47,376		20,955	
PF Payable	52,32,651		4,22,917	
GST Payable	63,86,486		2,92,941	
Professional Tax Payable	2,19,168	2,11,54,517	60,568	27,39,716
<b>TOTAL</b>		<b>2,97,00,242</b>		<b>35,74,218</b>

NOTE '8' : SHORT TERM PROVISIONS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Provision for Income Tax	33,23,985		18,69,135	
Provision for Expenses	3,89,027		-	
<b>TOTAL</b>		<b>37,13,012</b>		<b>18,69,135</b>

NOTE '10' : OTHER NON CURRENT ASSETS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Rental deposit	13,70,500		20,80,800	
<b>TOTAL</b>		<b>13,70,500</b>		<b>20,80,800</b>

NOTE '11' : INVENTORIES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Appian Software License Inventory	-	-		18,95,782
<b>TOTAL</b>		<b>-</b>		<b>18,95,782</b>



S. Ch. Ka. Yam Chakrabarti



Ch. P. H. H.



NOTE '12' : TRADE RECEIVABLES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Trade Receivables morethan 6 Months	1,31,96,193	-		
Trade Receivables less than 6 Months	6,98,40,875	-		4,33,72,242
<b>TOTAL</b>		<b>8,30,37,068</b>		<b>4,33,72,242</b>

NOTE '13' : CASH AND BANK BALANCES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>-Cash and Cash Equivalents</b>				
Cash on Hand	8,85,278		15,930	
Balance with Banks				
In Current Accounts	1,29,84,871		3,61,068	
In Fixed Deposit Accounts	10,000			
As Margin Money				
<b>TOTAL</b>		<b>1,38,80,149</b>		<b>3,76,998</b>

NOTE '14' : SHORT TERM LOANS AND ADVANCES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>Loans and advances ( Secured/ Unsecured/ Doubtful)</b>				
Loans and Advance to Directors	-			
Others	-			
Advance paid to suppliers	18,09,458		29,38,855	
Loans to Employees	-		2,501	
<b>TOTAL</b>		<b>18,09,458</b>		<b>29,41,356</b>

NOTE '15' : OTHER CURRENT ASSETS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Prepaid Expenses	5,10,909		-	
TDS receivables	33,34,101		16,54,836	
TCS receivables	-		17,520	
GST input	-		1,76,555	
<b>TOTAL</b>		<b>38,45,010</b>		<b>18,48,910</b>



S. Ch. Ica'kam Chakravarthy

NOTE '16' : REVENUE FROM OPERATIONS				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>Export Services</b>				
Export Software Development	2,03,08,744		3,07,08,703	
Export Software License	51,08,200		67,73,900	
Export Contract Staffing Services	1,16,11,216	3,70,28,160	30,23,861	4,05,06,464
<b>Domestic Services</b>				
Domestic Contract Staffing Services	2,60,86,795		57,75,238	
Technical Training	1,95,00,000			
Domestic Software Development	5,86,09,587	10,41,96,382	1,30,76,361	1,88,51,599
<b>TOTAL</b>		<b>14,12,24,542</b>		<b>5,93,58,063</b>

NOTE '17' : PURCHASES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Blue Prism	29,09,584	-	-	37,91,564
Appian	44,77,322		-	
<b>TOTAL</b>		<b>73,86,906</b>		<b>37,91,564</b>

NOTE '18' : CHANGES IN INVENTORY				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Opening Stock of Software Licence	18,95,782		-	
	-	-	-	-
Closing Stock of Software Licences	-		18,95,782	
<b>TOTAL</b>		<b>18,95,782</b>		<b>(18,95,782)</b>

NOTE '19' : DIRECT EXPENSES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Consultancy Charges	1,72,92,439		51,13,283	
Foreign Travel Expenses	73,836		14,43,847	
Visa Processing Charges	31,663		1,01,549	
Contract Staffing Service	66,31,440		50,05,310	
Software - Cloud Space/Subscription	23,65,042		-	
<b>TOTAL</b>		<b>2,63,94,420</b>		<b>1,16,63,989</b>



S-chica/tem chakrabarty



ch. Padmalathi



NOTE '20' : EMPLOYEE BENEFIT EXPENSES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Staff Salaries	6,50,99,230		2,51,98,945	
Staff Welfare Expenses	1,81,000		1,14,810	
Perdiems Expenses	22,80,570		25,01,491	
Employee Medical Expenses	2,16,000		-	
ESI Contribution	2,44,998		1,28,897	
EPF Contribution	25,50,008		10,76,815	
<b>TOTAL</b>		<b>7,05,71,806</b>		<b>2,90,20,958</b>

NOTE '21' : FINANCIAL CHARGES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
Interest on Vehicle Loan	1,36,154	-		28,914
Interest On OD	16,02,285	-		4,72,500
Interest On Others	9,39,000			-
<b>TOTAL</b>		<b>26,77,439</b>		<b>5,01,414</b>

NOTE '22' : OTHER EXPENSES				
Particulars	As at 31.03.2021		As at 31.03.2020	
	Rupees	Rupees	Rupees	Rupees
<b>OTHER EXPENSES</b>				
Audit Fee	50,000		50,000	
Rent	80,65,743		46,99,656	
Conveyance Charges	39,771		31,823	
Printing & Stationary	1,28,689		54,291	
Petrol & Diesel	64,544		26,215	
Postage & Courier	27,315		18,213	
Recruitment Service Charges	2,93,779		84,990	
Bank charges	5,39,461		2,00,159	
ROC Charges	98,766		2,55,900	
Office Maintenance	7,80,459		3,14,883	
Lodging And Boarding	3,43,915		1,83,021	
Web Maintenance Charges	27,793		71,357	
Software Subscription Charges	14,88,089		4,04,303	
Computer Maintenance	1,43,079		3,89,859	
Domestic Travelling Expenses	48,526		1,00,287	
Insurance Expenses	1,86,813		4,31,150	
Telephone Charges	60,205		26,975	
Internet Charges	2,82,228		1,76,262	
Employee Certification Expenses	-		29,562	
Electricity Charges	-		7,814	
Legal Expenses	6,90,000		55,000	
Registration Charges	2,500		51,059	
Vehicle Maintenance	31,424		25,637	
Foreign Exchange Loss	2,77,737		99,549	
Professional Tax	10,000		7,500	
Business Promotion Expenses	5,72,515		1,92,250	
ESI, PF Charges	8,825		1,59,095	
ETDS late filing fee	14,600		98,200	
Interest on TDS	1,81,242		95,400	
GST Late filing fee	39,100		56,710	
Other Expenses	6,21,914		64,477	
<b>TOTAL</b>		<b>1,51,19,034</b>		<b>84,61,597</b>



Ch. Padmalathi

M/s. MACHINT SOLUTIONS PRIVATE LIMITED

DEPRECIATION SCHEDULE AS PER INCOME TAX ACT, 1961							
Particulars	Rate	WDV as at 01.04.2020	Additions upto 30.09.2020	Additions after 30.09.2020	Deletions	Total	WDV as at 31.03.2021
Computers & Peripherals	40%	11,98,748	3,33,989	6,97,258	0	22,29,995	14,77,449
Office Equipments	10%	36,555	1,01,942	83,233	0	2,21,730	2,03,719
Vehicles	15%	15,94,851	-	-	0	15,94,851	13,55,623
Software licences	25%	18,26,674	-	1,89,61,281	0	2,07,87,955	1,79,61,126
Total		11,98,748	4,35,931	1,97,41,773	-	2,48,34,531	2,09,97,917



Ch. Padmalathi



Sch. Ka. Kam chakravarthy



NOTE: 8 Fixed Assets

**MACHINT SOLUTION PRIVATE LIMITED**

STATEMENT OF FIXED ASSETS AND DEPRECIATION FOR THE YEAR ENDED 31st MARCH, 2021									
Particulars	GROSS BLOCK			Rate %	DEPRECIATION BLOCK			NET BLOCK As On 31.03.2021	NET BLOCK As On 31.03.2020
	Opening Balance 01.04.2020	Additions During The Year	Del	Total Cost 31.03.2021	Depreciation Upto 31.03.2020	Depreciation For 2020-21	Depreciation Upto 31.03.2021		
<b>1</b>									
<i>tangible assets</i>									
Furniture	-	-	-	-	-	-	-	-	-
Office Equipments	39,687	1,85,175	-	2,24,862	11,964	50,852	62,816	1,62,046	27,723
Computers	17,11,449	10,31,247	-	27,42,697	5,35,333	9,88,574	15,23,927	12,18,770	11,76,096
Software	-	-	-	-	-	-	-	-	-
Delivery Van	-	-	-	-	-	-	-	-	-
Codown	-	-	-	-	-	-	-	-	-
Vehicles	17,24,163	-	-	17,24,163	95,889	5,08,510	6,04,399	11,19,764	16,28,274
Total (a)	34,75,299	12,16,422	-	46,91,721	6,43,206	15,47,936	21,91,142	25,00,580	28,32,093
<b>2</b>									
<i>Intangible Assets</i>									
Software licences	20,87,627	-	-	20,87,627	40,033	6,82,463	7,22,496	13,65,131	20,47,594
Software Products	-	1,89,61,281	-	1,89,61,281	-	8,838	8,838	1,89,52,443	-
Total (b)	20,87,627	1,89,61,281	-	2,10,48,908	40,033	6,91,302	7,31,335	2,03,17,574	20,47,594
Grand Total (a+b)	55,62,926	2,01,77,703	-	2,57,40,630	6,83,239	22,39,237	29,22,476	2,28,18,153	48,79,687
Previous Year		51,27,158		55,62,926		6,30,972	6,83,239	48,79,687	



Ch. Padma Lakshmi



S.Ch. 100 Year chartered accountants



**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

**Note No. 23 :**

**1. Company Overview**

M/s. MACHINT SOLUTIONS PRIVATE LIMITED ('the Company'), is a Private Company incorporated under the Provisions of the Indian Companies Act, 2013 (CIN : U74999TG2018PTC127147) The Company is mainly engaged in the business of comprehensive technology solutions with a robust Intelligent Automation technologies portfolio under the name of Machint Solutions, headquartered at HITEC City, Hyderabad

**2. Significant accounting policies**

**a. Basis of preparation**

The financial statements have been prepared under the historical cost convention on an accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and the accounting standards issued by the Institute of Chartered Accountants of India (Indian GAAP) as adopted consistently by the Company. All income and expenditure having a material effect on financial statements are recognized on accrual basis.

**b. Use of Estimates and Judgement**

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 results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could defer from these estimates.

**c. Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**d. Depreciation**

Depreciation is provided using the Written down Value Method ("WDV") as per the useful lives Mentioned in Schedule II of Companies Act, 2013.

**e. Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.



*S.Ch. Kalpana Chaitanya*

*Ch. Padmakshi*





**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

**f. Intangible Assets**

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably. Intangible assets are stated at cost less accumulated amortization.

**Licenses**

Costs relating to license, which are acquired, are capitalized and amortized on a straight-line basis over its useful life which has been estimated as Three years by Management.

**g. Operating lease**

Leases where the lessor effectively retains substantially all the risks and the benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis over the lease term.

**h. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

**i. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**j. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**k. Foreign currency transactions**

**i. Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency



*Sch. Kalyan Chakravarty*

*Ch. Padmalathi*





**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**iii. Exchange differences**

Exchange differences arising on the settlement of monetary items on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**l. Income taxes**

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**m. Earnings per share**

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

Diluted earnings per share is determined by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for weighted average number of potential dilutive equity shares outstanding during the year.

**n. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required



S. Ch. Kalyan Chaitanya

Ch. Padmalatha





**M/s MACHINT SOLUTIONS PRIVATE LIMITED**  
**Significant Accounting Policies**

to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**o. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

As per our report of even date


**For NSVR & ASSOCIATES LLP,**  
Chartered Accountants  
Firm Regn. No. 008804S/S200060

  
**M. Ranga Babu**  
Partner  
Membership No. 218544  
UDIN: : 21218544AAAADF7943:

Place: Hyderabad  
Date: 26.11.2021

For and on behalf of the Board  
**Machint Solutions Private Limited**

  
**S. Kalyan Chakravarthy**  
Managing Director  
DIN: 08104981

  
**C. Padmavathi**  
Director  
DIN: 08160329



**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
**Notes forming part of Accounts for the year ended March 31, 2021**

**NOTE No.23 (cont.):**

**A. Contingent Liabilities:**

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Bank Guarantee	--	--
Letter of Credit	--	--
Guarantee given by the Company	--	--

**B. Directors Remuneration**

	March 31, 2021 Rs.	March 31, 2020 Rs.
Salaries	60,43,680	--
Perquisites	--	--
	--	--

**C. Foreign currency Transactions:**

	31.03.2021 Rs.	31.03.2021 US \$	31.03.2020 Rs.	31.03.2020 US \$
Revenue	3,70,28,160	4,98,552	4,05,06,464	5,52,609
Purchase of Goods/Services	44,77,322	62,185	37,91,564	53,200
Advances for Capital Goods	0	0	20,87,627	40,145(SGD)
Perdiems	11,93,017	16,570	25,01,490	34,503
Foreign Travelling	73,836	1,041	1,26,724	1,748
Visa Processing Exp	31,663	440	56,076	773
<b>TOTAL</b>	<b>14,70,00,381</b>	<b>20,41,688</b>	<b>4,90,69,945</b>	<b>0</b>

**D. Related Party Transactions:**

**1. Details of Related Parties :**

Description of relationship	Relationship
Key Management Personnel (KMP)	S Kalyan Chakravarthy Goli Srinivasa Rao Sri Rama Subba Rao Kopparthi
Relatives of KMP	S Rajesh



*S. Ch. Kalyan Chakravarthy*  
*ch. Padmalathi*





M/s. MACHINT SOLUTIONS PRIVATE LIMITED  
Notes forming part of Accounts for the year ended March 31, 2021

	Lakshmi Durga Goli Girija Kumari Sanakayala
Entities in which KMP /Relatives of KMP can exercise significant influence	RKI Innovative Solutions Private Limited

	KMP	Entities in Which KMP /relatives of KMP have significant influence	Total
Sale of Service	--		
Contract Staffing Expenses	--	55,80,418	55,80,418
Purchase of software Licence	-	48,00,000	48,00,000
Rent Paid	-	66,00,000	66,00,000
Rental Deposit Paid	-	0	0
Advances paid to suppliers	-	10,31,435	10,31,435
Trade receivables	-	0	0
Trade payables	-	48,00,000	48,00,000
Loans and advances from Related Parties		35,08,961	35,08,961



S. Ch. Kalpana Chaudhary

Ch. Padmavathi





**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
**Notes forming part of Accounts for the year ended March 31, 2021**

**Segment Reporting:**

The Company concluded that there is only one operating segment. Hence, the same becomes the reportable segment for the Company. Accordingly, the Company has only one operating and reportable segment.

**Earnings per Share**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Earnings</b>		
Profit attributable to equity holders (Rs in Lakhs)	112.28	52.65
<b>Shares</b>		
Number of shares at the beginning of the year	10,00,000	10,000
Add: Equity shares issued	2,50,000	9,90,000
Less: Buy back of equity shares	--	--
Total number of equity shares outstanding at the end of the year	12,50,000	10,00,000
Weighted average number of equity shares outstanding during the year	11,04,167	1,21,992
Earnings per share of par value Rs.10/- – Basic (₹)	10.17	195.20
Earnings per share of par value Rs.10/- – Diluted (₹)	10.17	195.20



S.ch. Kalyan chakraborty

ch. Padmalathi





**M/s. MACHINT SOLUTIONS PRIVATE LIMITED**  
**Notes forming part of Accounts for the year ended March 31, 2021**

**Deferred tax liability :**


Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<i>Earnings</i>		
Net WDV Value of Fixed Assets as per Companies Act , 2013	2,28,18,153	48,79,686
Net WDV Value of Fixed Assets as per Income Tax Act , 1961	2,09,97,197	3,48,514
Timing Differences	18,20,236	2,22,859
Rate of Tax	24.48	26%
Deferred Tax Liability	4,45,623	57,943

- A. Based on information available with the Company, there are no suppliers who are registered as micro, medium or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 20121.
- B. Figures are rounded off to the nearest rupee. Figures in brackets represent credits / deductions to the extent applicable.

**SIGNATORIES TO NOTES 1 TO 23**

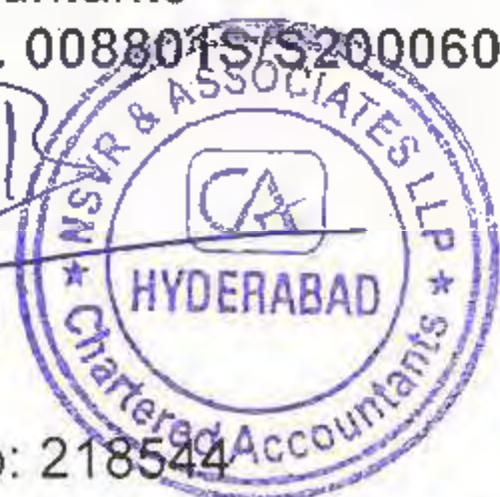
As per our report of even date

**For NSVR & ASSOCIATES LLP,**  
Chartered Accountants  
Firm Regn. No. 008801S/S200060


  
**M. Ranga Babu**  
Partner  
Membership No: 218544


UDIN : 21218544AAAADF7943

Place: Hyderabad  
Date: 26/11/2021.



For and on behalf of the Board  
**Machint Solutions Private Limited,**

  
**S. Kalyan Chakravarthy**  
Managing Director  
DIN: 08104981

  
**C. Padmavathi**  
Director  
DIN: 08160329

