

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 1<sup>st</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S MACHINT SOLUTIONS PRIVATE LIMITED (CIN: U74999TG2018PTC127147) TO BE HELD ON MONDAY, THE 30<sup>th</sup> DAY OF SEPTEMBER 2019 AT 10.00 A.M AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT AWFIS SPACE SOLUTIONS PVT LTD, 1ST FLOOR N HEIGHTS, PLOT NO 38, PHASE II, HITECH-CITY HYDERABAD TG 500081 IN. TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:****Item No.1- ADOPTION OF FINANCIAL STATEMENTS**

To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.

**Item No.2- APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY**

To Appoint M/s. NSVR & ASSOCIATES LLP., Chartered Accountants (FRN: 008801S/S200060) Hyderabad as statutory auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the Conclusion of 6<sup>th</sup> Annual General Meeting to be held in the year 2024 of the Company and to fix their remuneration and for the purpose, to consider and if thought, to pass with or without modification(s) the following resolution as Ordinary Resolution.

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof M/s. NSVR & ASSOCIATES LLP., Chartered Accountants (FRN: 008801S/S200060), be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from a term of five years i.e. from the conclusion of this Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting of the Company, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor."

By order of the Board of Directors  
For MACHINT SOLUTIONS PRIVATE LIMITED

Place: Hyderabad  
Date: 04.09.2019

*g ch.kalyan chakravarthi*  
KALYAN CHAKRAVARTHY SANAKKAYALA  
DIN: 08104981  
Director

*Rajesh*  
RAJESH SANAKKAYALA  
DIN: 08104982  
Director



**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting.

## DIRECTOR'S REPORT

TO,  
THE MEMBERS,  
MACHINT SOLUTIONS PRIVATE LIMITED

Your Director have pleasure in presenting their 1<sup>st</sup> Annual Report on the business and operation of the company and the accounts for the Financial year Ended 31<sup>st</sup> March, 2019.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY :**

The financial results for the year ended 31<sup>st</sup> March, 2019 and the corresponding figures for the last year are as under :-

Particulars	2018- 2019
Revenue from Operations	74,25,270
Less: Expenses	47,87,511
Profit before Tax	26,37,816
Provision for Tax	0
Income Tax (JV)	6,76,762
Deferred Tax	9,071
Profit after Tax	19,51,984
Less : Proposed Dividend & Tax thereon	0
Balance carried to Balance Sheet	19,51,984

**2. RESERVE & SURPLUS :**

During the year gross revenue is Rs. 74,25,270 in FY 2018-19 and profit after tax is Rs. 19,51,984.

**3. CHANGE IN THE NATURE OF BUSINESS :**

There is no Change in the nature of the business of the Company done during the year.

**4. DIVIDEND :**

To strengthen the financial position of the Company and to augment working capital your directors regret to declare any dividend.

**5. MEETINGS :**

The Company had 3 (Three) meetings of the Board of Directors and 1(One) General meeting were held during the financial year.

S. No	Date Of Meeting	Total No. of Directors as on date of Meetings	Attendance	
			No. of Directors attended	% of Attendance



1	16/10/2018	2	2	100%
2	05/12/2018	2	2	100%
3	20/02/2019	2	2	100%
4	16/10/2018(EGM)	2	2	100%

**6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

There is no change in the nature of business of the company. During the Financial year Mr. Rajesh Sanakkayala was appointed as Director on 16/10/2018 and Ms. Padmavathi Chillara resigned form Directorship on 16/10/2018.

**7. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

**8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The provisions Corporate Social Responsibility is not applicable to the company.

**9. RISK MANAGEMENT POLICY :**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

**10. SUBSIDIARY, JOINTVENTURE AND ASSOCIATE COMPANY :**

As on March 31, 2019, the Company does not have any subsidiary, Joint Venture or Associate Company.

**11. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**12. CHANGES IN SHARE CAPITAL:**

The Company has not issued any Equity Shares during the year under review.

**13. STATUTORY AUDITORS:**

M/s. NSVR & ASSOCIATES LLP., Chartered Accountants First Auditors appointed by board of directors retires at the ensuing Annual General Meeting. Being eligible offers themselves for appointment as Statutory Auditors for a term of 5 years from the conclusion this Annual General Meeting till the conclusion 6<sup>th</sup> Annual General Meeting to be held in the year 2024 and has given their consent for the same as per the provisions of the Companies Act, 2013.

**14. AUDITORS' REPORT :**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and do not call for any furture comments.

**15. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 as a part of this Annual Report as **ANNEXURE 'B'**.

**16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

**17. DEPOSIT :**

The Company has neither accepted nor renewed any deposits during the year under review.

**18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

No agreement was entered with related parties by the Company during the current year. All the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis. The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transaction with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority.

Since all the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis, FORM AOC- 2 is not applicable to the Company.

**19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2018-19.

**20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :**

The details of conservation of energy, technology absorption, foreign exchange earning and outgo are as follows:

**(a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Company's operation does not consume significant amount of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)



(b) Technology absorption

(i)	the effort made towards technology absorption	Nil
(ii)	the benefits derived like product improvement cost reduction product development or import substitution	Nil
(iii)	in case of imported technology (important during the last three years reckoned from the beginning of the financial year)	Nil
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil

(c) Foreign exchange earnings and outgo

During the year, the total foreign exchange used was Rs. Nil and the total foreign exchange earned was Rs. Nil

**21. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**22. DIRECTORS'S RESPONSIBILITY STATEMENT:**

The Directors's Responsibility Statement referred to in clause (c) of Sub- section (3) of Section 134 of the Companies Act, 2013 shall state that

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### 23. ACKNOWLEDGEMENTS:

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employees, its investors and all other associates and look forward to continue fruitful association with all business partners of the company.

By order of the Board of Directors  
For MACHINT SOLUTIONS PRIVATE LIMITED

Place: Hyderabad  
Date: 04.09.2019

*Sch. Kalyan Chakravathy*  
KALYAN CHAKRAVARTHY SANAKKAYALA  
DIN: 08104981  
Director

*Rajesh*  
RAJESH SANAKKAYALA  
DIN: 08104982  
Director



FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

1.	CIN	U74999TG2018PTC127147
2.	Registration Date	26 <sup>th</sup> September, 2018
3.	Name of the Company	MACHINT SOLUTIONS PRIVATE LIMITED
4.	Category/Sub-category of the Company	Company limited by shares/Indian Non Government Company
5.	Address of the Registered office & contact details	Awfis Space Solutions Pvt Ltd, 1st Floor N Heights, Plot No 38, Phase II, Hitech-City Hyderabad TG 500081 IN
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Information Technology		NIL

S. No.	Name and Address of the company	CIN	Nature of Relation	% of shares held	Applicable Section
NIL					

[illegible]



(e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (2)</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)=(A)(1) +(A) (2)</b>	0	10,000	10,000	100%	0	10,000	10,000	100%	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R.	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	10,000	10,000	100%	0	10,000	10,000	100%	0

**B) Shareholding of Promoters-**

S. NO.	Shareholder's Name	Shareholding at the beginning of the year (As on Incorporation Date)			Shareholding at the end of the year			% change in shareholding during the year.
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	KALYAN CHAKRAVARTHY SANAKKAYALA	5,000	50%	0	5,000	50%	0	0
2.	PADMAVATHI CHILLARA	5,000	50%	0	4,200	42%	0	0
3	PADMAVATHI SHIVARUDRAPPA MUMMIGATTI	0	-	-	800	8%	0	0
<b>TOTAL</b>		<b>10,000</b>	<b>100%</b>	<b>0</b>	<b>10,000</b>	<b>100%</b>	<b>0</b>	<b>0</b>

**C) Change in Promoters' Shareholding (please specify, if there is no change):**

No change in Promoter's Shareholding.

S.No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		0	0.00	0	0.00

**D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable**

S.No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		0	0.00	0	0.00

**E) Shareholding of Directors and Key Managerial Personnel:**

S. NO.	Shareholder's Name	Shareholding at the beginning of the year (As on Incorporation Date)			Shareholding at the end of the year			% change in shareholding during the year.
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	KALYAN CHAKRAVARTHY SANAKKAYALA	5,000	50%	0	5,000	50%	0	0

**V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	0	0	0
* Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:** During the financial year 2018-19 remuneration has not been paid to any Directors.

S.No	Particulars of Remuneration	Name of MD/WTM/ Manager	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
2	Stock Option	
3	Sweat Equity	
4	Commission - as % of profit - others, specify...	
5	Others, please specify	
<b>Total</b>		
<b>Ceiling as per the Act</b>		For Private Limited Company no ceiling is prescribed

**B. Remuneration to other directors:** During the financial year 2018-19 remuneration has not been paid to any Directors.

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	NIL	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
<b>Total Managerial Remuneration</b>			
<b>Overall Ceiling as per the Act</b>		For Private Limited Company no ceiling is prescribed	

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD: NIL**

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	TOTAL
1	Gross salary	NIL			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity	NIL			
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
Total		NIL			

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					



Penalty	NIL
Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	NIL
Punishment	
Compounding	

By order of the Board of Directors  
For MACHINT SOLUTIONS PRIVATE LIMITED

Place: Hyderabad  
Date: 04.09.2019

*S.chakravarthy*  
KALYAN CHAKRAVARTHY SANAKKAYALA  
DIN: 08104981  
Director

*Rajesh*  
RAJESH SANAKKAYALA  
DIN: 08104982  
Director





## **INDEPENDENT AUDITOR'S REPORT**

**TO, THE MEMBERS OF MACHINT SOLUTIONS PRIVATE LIMITED**

### **Report on the Audit of the Financial Statements Opinion**

We have audited the accompanying financial statements of Machint Solutions Private limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 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, 2019, the profit and total comprehensive income, and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

### **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 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 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 during the course of our 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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, relate disclosures.

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



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013 is not applicable to the Company since a) It is not a subsidiary or holding company of a public company b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and d) Its turnover for the year is not more than Rs.10 Crores during the year

2. As required by section 143(3) of the Companies Act 2013, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet and 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 financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

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:

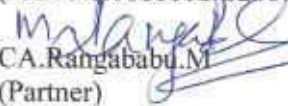
i) There are no pending litigations for or against the Company which would impact its financial position.

ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.

iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

**For NSVR & ASSOCIATES LLP.,**

Chartered Accountants  
(FRN No.008801S/S200060)

  
CA. Rangababu.M  
(Partner)

M.no:218544



**UDIN : 19218544AAAAAI1018**

**Date:** 04.09.2019

**Place:** Hyderabad



**M/S. MACHINT SOLUTIONS PRIVATE LIMITED**  
 Awfis Space Solutions Pvt Ltd, 1st Floor N Heights, Plot No 38, Phase II, Hitech-City Hyderabad Hyderabad  
 CIN : U74999TG2018PTC127147  
**BALANCE SHEET FOR THE YEAR ENDED AS ON 31.03.2019**

PARTICULARS	Note No.	As at 31/03/19	
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
1. Shareholders' funds			
(a) Share Capital	1	100,000	
(b) Reserves and Surplus	2	1,951,984	
(c) Money received against share warrants			2,051,984
2. Share application money pending allotment			-
3. Non-current liabilities			
(a) Long-term borrowings		-	
(b) Deferred Tax liabilities (Net)	3	9,071	
(c) Other Long term liabilities			
(d) Long-term Provisions			9,071
4. Current Liabilities			
(a) Short term borrowings		-	
(b) Trade payables	4	788,834	
(c) Other current liabilities	5	5,624,331	
(d) Short term provisions	6	676,762	
<b>TOTAL</b>			7,089,927
			9,150,981
<b>II. ASSETS</b>			
1. Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		383,501	
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments		-	
(c) Deferred tax assets (net)			
(d) Long-term loans and advances			
(e) Other non-current assets	8	760,800	
2. Current assets			1,144,301
(a) Current investments			
(b) Inventories			
(c) Trade receivables	9	5,851,316	
(d) Cash and Bank Balances	10	156,548	
(e) Short-term loans and advances	11	980,698	
(f) Other current assets	12	1,018,118	
<b>TOTAL</b>			8,006,680
			9,150,981
			0

For N S V R & ASSOCIATES LLP,  
 Chartered Accountants  
 FRN : 008801S/S200060

*M. Ranga*  
**M. Ranga Bala**  
 Partner  
 M No. 218544  
 Place : Hyderabad  
 Date : 04.09.2019

For on behalf of Board of Directors

*S. Kalyan Chakravarthy*

S Kalyan Chakravarthy  
 Director  
 Din : 08104981

*Rajesh*

S Rajesh  
 Director  
 Din : 8104982





<b>M/S.MACHINT SOLUTIONS PRIVATE LIMITED</b> <b>Awfis Space Solutions Pvt Ltd, 1st Floor N Heights, Plot No 38, Phase II, Hitech-City Hyderabad Hyderabad</b> <b>CIN : U74999TG2018PTC127147</b> <b>PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2019</b>			
PARTICULARS	Note No.	For the year ended 31.03.19	
		2,637,816	Rs.
Revenue from operations:			
Sale of Products			
Sale of Services	13	7,425,270	
Other Income	14		7,425,270
Total Revenue (I + II)			57
			7,425,327
Expenses			
Direct Expenses	15	833,798	
Employee benefits expense	16	2,239,131	
Finance Costs		-	
Depreciation and amortization expense	7	52,267	
Other expense	17	1,662,315	
Total Expense			4,787,511
Profit before exceptional and extraordinary items and tax (III-IV)			2,637,816
Exceptional Items			
Profit before extraordinary items and tax (V-VI)			2,637,816
Extraordinary items			
Profit before tax (VII-VIII)			2,637,816
Tax expense:			
(1) Current tax		676,762	
(2) Deferred tax		9,071	
Profit/(Loss) for the period from continuing operations (IX - X)			685,832
			1,951,984
Profit/(Loss) for the period from discontinuing operations			-
Tax expense of discontinuing operations			-
Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-
Profit/(Loss) for the period (XI + XIV)			1,951,984
Earnings per equity share:			
(1) Basic			195.20
(2) Diluted			195.20
Significant Accounting policies and Notes to Accounts	18		

In terms of our report attached.

For N S V R & ASSOCIATES LLP,  
Chartered Accountants  
FRN : 008801S/S200060

M. Ranga Babu  
Partner  
M.No. 218544

Place : Hyderabad  
Date : 04.09.2019

For on behalf of Board of Directors

S. Ch. Kalyan Chakravarthy

S Kalyan Chakravarthy  
Director  
Din : 08104981



Rajesh

S Rajesh  
Director  
08104982

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

CIN : U74999TG2018PTC127147

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019**

PARTICULARS	As at 31.03.2019	
	Amount Rs.	Amount Rs.
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net profit / (Loss) before tax & adjustments		1,951,984
Adjustments for:		
Depreciation	52,267	
Interest Received	-	52,267
<b>Operating Profit before Working Capital Change</b>		<b>2,004,251</b>
Adjustments for:		
Inventories	-	
Trade & Other Receivables	(5,851,316)	
Changes in other Current Liabilities	7,098,997	
Loans & Advance and other current assets	(1,998,816)	(751,135)
<b>Cash flow Before Tax and Extra Ordinary Items</b>		<b>1,253,116</b>
Tax Paid	-	-
Add: Prior Period Item (Bonus)		-
Less: Prior Period Expenses		-
<b>Net Cash flow from Operations before tax</b>		<b>1,253,116</b>
Less: Taxes Paid	-	-
MAT		-
<b>Cash Flow from Operating Activities</b>		<b>1,253,116</b>
<b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Fixed Assets Purchased	(435,768)	
Advances for fixed Assets	-	
Increase in Deposits	(760,800)	
<b>Cash Flow from Investing activities</b>		<b>(1,196,568)</b>
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Change in Share Capital	100,000	
Share Application money		
Borrowings Increase/Decrease	-	
Interest Received	-	
<b>Cash Flow from Financing Activities</b>		<b>100,000</b>
<b>Net increase in Cash &amp; Cash Equivalents</b>		<b>156,548</b>
<b>Cash &amp; Cash equivalents at the beginning of the year</b>		<b>-</b>
<b>Cash &amp; Cash equivalents at the end of the year( 31.03.2019)</b>		<b>156,548</b>

In terms of our report attached.

For N S V R & ASSOCIATES LLP,  
Chartered Accountants  
FRN : 008801S/S200060

M. Ranga Babu  
Partner  
M. No. 218544

Place : Hyderabad  
Date : 04.09.2019



For and on behalf of the Board of Directors

S Kalyan Chakravarti  
Director  
Din : 08104981

S Rajesh  
Director  
Din : 08104982



S. Ch. Kalyan Chakravarti

Rajesh

## NOTES FORMING PART OF ACCOUNTS

NOTE '1': SHARE CAPITAL		
Particulars	As at 31.03.2019	
	Rupees	Rupees
<b>-Authorised Capital</b>		
1,00,000 Equity Shares of Rs. 10/- each		1,00,000
[Previous Year : Company Incorporation in this year]		
<b>-Issued, Subscribed and Paid up Capital</b>		
10,000 Equity Shares of Rs. 10/- each fully paid-up.		100,000
Previous Year : Company Incorporated this year		
* [ NO. Equity Shares were allotted (preceeding 5 years) as fully paid up Bonus Shares by way capitalisation of Security Premium Account.		
<b>TOTAL</b>		<b>100,000</b>
<b>- Reconciliation of Shares:</b>	<b>Nos</b>	<b>Amt(Rs)</b>
Opening Share Capital	-	-
Add: Shares issued During the year	10,000	100,000
Add: Rights/Bonus Shares Issued	-	-
Total	10,000	100,000
Less: Buy back of Shares	-	-
Less Reduction in Capital	-	-
Closing Share Capital	10,000	100,000

-List of Share holders having 5% or more Shares (In Nos)

Name Of Shareholders	In Nos	In %
S Kalyan	5,000	50.00
Ch. Padmavathi	4,200	42.00
Padmavathi Shivarudrappa M	800	8.00
<b>Total</b>	<b>10,000</b>	<b>100</b>

NOTE '2' : RESERVES AND SURPLUS		
Particulars	As at 31.03.2019	
	Rupees	Rupees
<b>Capital Reserve</b>		
<b>General Reserve</b>		
<b>Profit and Loss Account</b>		
Opening Balance	-	-
Add: Profit During The Year	1,951,984	
Less: Proposed Dividend (Incl .Tax)		
(Disclose Amt of Dividend Per Share)		
Transfer to Reserves		
Bonus Shares		
Closing Balance		
<b>TOTAL</b>		<b>1,951,984</b>



S. Ch. Kalyan Chakravarthy



Rajesh



NOTE '3' : DEFERRED TAX LIABILITY		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Net deferred tax liability	-	9,071
<b>TOTAL</b>		<b>9,071</b>

NOTE '4' : TRADE PAYABLES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Greyt HR	6,549	
V ON IT Solutions	183,370	
Vintage HR Consultant	46,584	
O2F Info Solutions Pvt Ltd	77,342	
Solventek Pvt.Ltd	474,989	
<b>TOTAL</b>		<b>788,834</b>

NOTE '5' : OTHER CURRENT LIABILITIES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Unsecured Loans from Directors & Shareholders	4,399,280	
Salaries Payable	52,135	
Audit Fee Payable	25,000	
Statutory Liabilities :		
TDS on Rent	94,895	
TDS on Professionals	11,279	
ESI Payable	19,664	
PF Payable	95,210	
GST Payable	920,918	
Professional Tax Payable	5,950	
<b>TOTAL</b>		<b>5,624,331</b>

NOTE '6' : SHORT TERM PROVISIONS		
Particulars	Rupees	
	Rupees	Rupees
Provision for Income Tax	676,762	
<b>TOTAL</b>		<b>676,762</b>



S. Ch. Kalpana Chakravarthy



Rajesh

NOTE : 7 Fixed Assets

MACHINT SOLUTION PRIVATE LIMITED

DEPRECIATION SCHEDULE AS PER COMPANIES ACT AS ON 31.03.2019

Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Opening Balance 01.03.2018	Additions During The Year	Red	Total Cost 31.03.2019	Rate %	Depreciation Upto 31.03.2018	Depreciation For 2018-19	Depreciation Upto 31.03.2019	As On 31.03.2019	As On 31.03.2018
Furniture	-	-	-	-	25.89%	-	-	-	-	-
Office Equipments	-	-	-	-	45.07%	-	-	-	-	-
Computers	-	433,768	-	433,768	63.16%	-	52,267	52,267	383,501	-
Software	-	-	-	-	63.16%	-	-	-	-	-
Delivery Van	-	-	-	-	31.23%	-	-	-	-	-
Goodwill ac Capitalgally	-	-	-	-	0.50%	-	-	-	-	-
Vehicles	-	-	-	-	31.23%	-	-	-	-	-
New Factory Premises	-	-	-	-	0.50%	-	-	-	-	-
	-	433,768	-	433,768	-	-	52,267	52,267	383,501	-
Previous Year	-	-	-	-	-	-	-	-	-	-



S. Ch. Nayyer & Co. Chartered Accty



20/8/2019

M/S.MACHINI SOLUTIONS PRIVATE LIMITED

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NOTE '8' : OTHER NON CURRENT ASSETS		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Rental deposit	760,800	
<b>TOTAL</b>		<b>760,800</b>

NOTE '9' : Trade Receivables		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Trade Receivables morethan 6 Months		
Trade Receivables lessthan 6 Months		5,851,316
<b>TOTAL</b>		<b>5,851,316</b>

NOTE '10' : CASH AND BANK BALANCES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
-Cash and Cash Equivalents		
Cash on Hand	1,638	
Balance with Banks		
-In Current Accounts	154,910	
-In Fixed Deposit Accounts		
- As Margin Money		
<b>TOTAL</b>		<b>156,548</b>

S. Ch. Saiyan Chaitanya



Rajesh



NOTE '11' : SHORT TERM LOANS AND ADVANCES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Loans and advances to related parties ( Secured/ Unsecured/ Doubtful)		
Loans and Advance to Directors		
Others	980,698	
<b>TOTAL</b>		<b>980,698</b>

NOTE '12' : OTHER CURRENT ASSETS		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Prepaid Insurance	89,833	
TDS receivables	742,522	
GST input	185,763	
<b>TOTAL</b>		<b>1,018,118</b>

NOTE '13' : REVENUE FROM OPERATIONS		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Revenue from Services		
Domestic Contract Staffing Services	6,105,213	
Provision for unbilled Revenue	1,320,057	
<b>TOTAL</b>		<b>7,425,270</b>

NOTE '14' : OTHER INCOME		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Discount Received	-	57
	-	
<b>TOTAL</b>		<b>57</b>

NOTE '15' : Direct Expenses		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Consultancy Charges	539,804	
Foreign Travel Expenses	292,437	
Visa Processing Charges	1,557	
<b>TOTAL</b>		<b>833,798</b>



S. Chaitanya chartered accountants



Rajesh

NOTE '16' : EMPLOYEE BENEFIT EXPENSES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
Staff Salaries	2,103,469	
Staff Welfare Expenses	135,662	
<b>TOTAL</b>		<b>2,239,131</b>

NOTE '17' : OTHER EXPENSES		
Particulars	As at 31.03.2019	
	Rupees	Rupees
<b>OTHER EXPENSES</b>		
Audit Fee	25,000	
Rent	948,954	
Conveyance Charges	15,940	
Printing & Stationary	81,433	
Petrol & Diesel	13,505	
ESI & PF Employer Contribution	63,873	
Recruitment Service Charges	114,746	
Bank charges	1,643	
Registration Charges	30,000	
Office Maintenance	148,190	
Lodging And Boarding	69,005	
Web Maintenance Charges	22,063	
System maintenance	20,958	
Others	107,005	
<b>TOTAL</b>		<b>1,662,315</b>



S. Ch. Venkatesh Chakravarthy



Rajesh



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

**Computation of Tax Liability for the A.Year 2019-20**

	Rs.	Rs.
Profit	2,637,816	
Add :		
Depreciaton as perCompanies Act	52,267	
		2,690,083
Less : Depreciation as per Income Tax Act	87,154	
Less : Preliminary Expenses Written off	-	
		87,154
Profit (Loss)		2,602,929
Less : Brought forwarded Losses		-
Taxable income for 2018-19		2,602,929
Tax Payable		650,732
Add Higher education cess		26,029
<b>Total Tax Payable</b>		<b>676,762</b>
Less : TDS deduction		742,522
Refund		(65,760)



*S.Ch.Kalyani chartered accountants*



*Rajesh*

Calculation of Deferred Tax for the Financial Year 2018-19		
Sl. No.	Description	2018-19
		Rs.
1	Net Block As per Companies Act As on 31.03.2019	383,501
	Net Block As per Income Tax Act As on 31.03.2019	348,614
	Timing Differences for Depreciation	34,887
2	Preliminary Expenses Written Off	
	As per Companies Act	
	As per Income Tax Act	-
	Timing Difference for Preliminary Expenses	
	<b>TOTAL TIMING DIFFERENCE</b>	<b>34,887</b>
	Tax Rate	0.260
	<b>Deferred Tax Asset as on 31.03.2018</b>	-
	Deferred Tax Asset on 31.03.2019	9,071
	<b>Additions/Deletion to Deferred tax Asset</b>	<b>9,071</b>



S. Chiranjayam chartered accountants



Rajesh

**NOTE No.18:**

**A. Contingent Liabilities:**

Particulars	March 31, 2019
Bank Guarantee	---
Letter of Credit	---
Guarantee given by the Company	---

**B. Directors Remuneration**

	March 31, 2019
	Rs.
Salaries*	---
Perquisites*	---
	---

**C. Expenditure in foreign currency (accrual basis) \***

	March 31, 2019
	Rs.
Purchase of Goods	---
Advances for Capital Goods	---
Travelling expenses	---
<b>TOTAL</b>	---

**D. Related Party Transactions:**

	March 31, 2019
	Rs.
Un Secured Loan from Directors -	43,99,280
Loans to Directors	---
<b>TOTAL</b>	<b>43,99,280</b>



S.Ch.kaalyan chartered accountants



Rajesh



E. 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, 2019.

F. Figures are rounded off to the nearest rupee. Figures in brackets represent credits / deductions to the extent applicable.

#### SIGNATORIES TO NOTES 1 TO 18

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



Place: Hyderabad  
Date: 04/09/2019.

For and on behalf of the Board  
Inquest Publications Private Limited,



S. Kalyan  
Chakravarthy  
Director  
DIN: 08104981



S. Rajesh  
Director  
DIN: 08104982



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

**1. Nature of operations**

M/s. MACHINT SOLUTIONS PRIVATE LIMITED ('the Company'), is a Private Company incorporated under the Provisions of the Indian Companies Act, 2013. The Company is mainly engaged in the business of software development & atomization.

**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**

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.



Sd/- Kalyan Chakravarty



Rajesh

**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 ten 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 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.



*S. Chitra Parth Chatterjee 12/7*





**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 reflects 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 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.



S. Ch. Karan Chakraborty



Rajesh

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

**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. 008801S/S200060

  
**M. Ranga Babu**

Partner

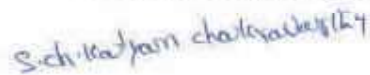
Membership No: 218544



Place: Hyderabad

Date: 04.09.2019

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



**S. Kalyan  
Chakravarthy**

Director

DIN: 08104981



**S. Rajesh**

Director

DIN: 08104982

