



2021

ANNUAL REPORT

NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED

CIN: U72100WB1999PTC195424

Registered Office:

Garments Park (Paridhan), Module No. F-4,
1st Floor, CF Building, Block-A, 19,
Canal South Road, Kolkata, 700015

Web Link: www.netwebindia.com

Email: corporate@netwebindia.com

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ANNUAL REPORT 2020-21

BOARD OF DIRECTORS

Directors	: Sanjay Lodha Navin Lodha Vivek Lodha Niraj Lodha
Statutory Auditor	: M D T & Company
Bankers	: Indian Bank
CIN	: U72100WB1999PTC195424
Registered Office	: Garment Park(Paridhan), Module No F-4,1 st Floor, CF Buiding Block-A, 19, Canal South Road,Kolkata 700015
Email	: corporate@netwebindia.com
Website	: www.netwebindia.com



NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Members of the NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED will be held on Monday , 4th October 2021 at 1:00 P.M. at Garments Park (Paridhan), Module No.F-4, 1st Floor, CF Building, Block-A, 19, Canal South Road, Kolkata – 700015 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 2021 together with the Board's Report and the Auditors' Report thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the members hereby take note the appointment of M/s MDT & Co, Chartered Accountants(FRN 026251N), as Auditors of the Company who were appointed as Statutory Auditor of the company from the conclusion of 21st AGM till the period of five years , at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors on yearly basis”

SPECIAL BUSINESS:

3. Shifting of the Registered Office from the State of West Bengal to the State of National Capital Territory of Delhi (NCT) and Alteration of Memorandum of Association.

“RESOLVED THAT pursuant to the provisions of Section 12(5), 13(4) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 30 of Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or re- enactment thereof for the time being in force) and subject to the approval of the Central Government (Power delegated to Regional Director), consent of shareholders be and is hereby accorded for shifting of registered office of the Company from the State of West Bengal to the State of NCT of Delhi.

RESOLVED FURTHER THAT upon shifting of the registered office being effective, the existing Clause II of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause II:

II. "The Registered Office of the Company will be situated in the State of National Capital Territory of Delhi"

RESOLVED FURTHER THAT Mr. SANJAY LODHA (DIN: 00461913) or Mr. VIVEK LODHA (DIN: 00461917), Directors of the Company be and are hereby jointly/severally authorized to sign , execute , make affidavits and file the petition/application related deeds and documents before the Central Government (Power delegated to the Regional Director) under Section 12(5), 13(4) and all other applicable provisions, if any, of the Companies Act, 2013 and other related deeds and documents with such authorities as may be necessary and to do all such acts, deeds and things as may be deemed necessary including but not limited to Publication of Notice in Newspaper(s), to give effect to the shifting of the registered office of the Company from the State of West Bengal to the State of Delhi (NCT) and as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard.

RESOLVED FURTHER THAT SMITA SHARMA, Practicing Company Secretary be and is hereby authorised to act, appear for and defend all actions and proceedings for and on behalf of the Company in the matter of the application to be filed before the Regional Director, Eastern Region, the Registrar of Companies, and such other authorities as may be necessary and to do and/or caused to be done, to execute and/or caused to be executed all such acts, deeds and things incidental thereto to give effect to the shifting of registered office of the Company from the State of West Bengal to the state of NCT of Delhi."

By the Order of the Board

**Sd/-
Sanjay Lodha
Director**

Notes:

1. A Member entitled to attend and vote the above meeting is entitled to appoint proxy to attend and vote on poll instead of himself and such proxy need not to be a member. The appointing the proxy in Form MGT-11 annexed thereto. In order for the said proxy form to be effective, should reach the registered office of the company atleast 48 hours before the time of the meeting
2. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send to the registered office of the company, a certified true copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the meeting.
3. Shareholders are requested to fill in and sign the Attendance slip and hand over at the entrance to the venue
4. The Explanatory Statement u/s 102 of the companies Act 2013 in respect of business set out above is annexed hereto

Place : Kolkatta

Date :11.09.2021

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

The Company was incorporated under Companies Act, 1956 in the State of West Bengal. As per Clause II of the Memorandum of Association of the Company, the registered office of the Company is at present in the State of West Bengal at Garments Park (Paridhan), Module No.F-4, 1st Floor, CF Building, Block-A, 19, Canal South Road, Kolkata, West Bengal - 700015 .

Considering the fact that large quantum of operational and business activities of the Company is undertaken from NCT of Delhi, since all other Group Companies situated at NCT of Delhi. Such a change of its registered office would positively influence the market potential and business growth and will also result in better control, co-ordination, reduction in costs and operational convenience.

In terms of Section 12, 13 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder shifting of the registered office from one State to another and alteration of the Memorandum of Association requires the approval of Members by way of Special Resolution. After the proposal is approved by the Members, an Application is required to be made, under Section 13(4) of the Companies Act, 2013, to the Central Government (Power delegated to Regional Director) for approval of the alteration to the Memorandum of Association of the Company pursuant to shift the Company's registered office from the State of West Bengal to the State of NCT of Delhi.

The proposed change will in no way be detrimental to the interest of any member of public, employees or any other person in any manner whatsoever. The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, recommends the above resolution for your approval as a Special Resolution

By the Order of the Board

Sd/-

Sanjay Lodha

Director

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company	NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED
Registered Office	Garments Park (Paridhan), Module No.F-4, 1st Floor,CF Building, Block-A, 19, Canal South Road, Kolkata - 700015

Name of the Member(s)	
Registered Office	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We , being the member(s) of _____ shares of the above named company. Hereby appoint

Name :	
Address:	
E-mail Id:	
Signature , or failing him	

Name :	
Address:	
E-mail Id:	
Signature , or failing him	
Name :	
Address:	
E-mail Id:	
Signature , or failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on the 4th day of October 2021 at_ 1:00 p.m. at Garments Park (Paridhan), Module No.F-4, 1st Floor,CF Building, Block-A, 19, Canal South Road, Kolkata - 700015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 2021 together with the Board's Report and the Auditors' Report thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended December 31, 2020 together with the Auditors' Report thereon.
3. Shifting of the Registered Office from the State of West Bengal to the State of National Capital Territory of Delhi (NCT) and Alteration of Memorandum of Association.

Signed this ____ day of ____ 20__

Affix Revenue Stamps

Signature of Shareholder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED
GARMENTS PARK (PARIDHAN), MODULE NO. F-4, 1ST FLOOR
CF BUILDING, BLOCK-A, 19, CANAL SOUTH ROAD
KOLKATA - 700105
CIN: U27101WB1997PTC084853

DIRECTORS' REPORT

To
The Members,

The directors have the pleasure of presenting the Annual Report on the state of affairs and the audited annual accounts of the Company for the financial year ended on 31st March 2021.

1. FINANCIAL HIGHLIGHTS:

The working results of the company for the year are as follows:

<u>Particulars</u>	(Rs.)	(Rs.)
	<u>31.03.2021</u>	<u>31.03.2020</u>
Gross Income	1,590,061,224	1,578,672,327
Net Profit /(Loss) (PBDT)	153,876,400	63,656,777
Less: Depreciation	9,925,544	9,438,262
Net Profit Before Tax	14,39,50,856	54,218,515
Provision for Tax	39,000,000	14,000,000
Earlier year Provision Written back	680,436	(656,644)
Deferred Tax Liabilities	(216,373)	51,610
Net Profit After Tax	104,486,793	40,823,549

2. FINANCIAL PERFORMANCE, CURRENT STATUS OF THE COMPANY AND FUTURE PROSPECTS:

The Company have earned a profit of Rs. **104,486,793/-** during the current year as compared to profit of Rs **40,823,549/-** during previous year. Efforts are being made by the company for better prospects and developments in the ensuing year.

3. SHARE CAPITAL/ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

The paid up Equity Share Capital as on 31st March 2021 was **Rs.5,65,82,200/- (Rs. Five Crore Sixty Five Lacs Eighty Two Thousand Two Hundred Only)**. There were no issue of shares during the year.

4. TRANSFER TO RESERVES

The Company proposes to transfer a sum of Rs **Nil** to any specific Reserves during the financial year ended 31st March, 2021.

5. DIVIDEND:

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2021.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 shall not be applicable as there was no unpaid or unclaimed dividend due to be transferred to the Investor Education and Protection Fund during the year.

7. REPORT OF THE UTILISATION OF PROCEEDS ON THE PUBLIC, RIGHT ISSUE AND PREFERENTIAL ALLOTMENT OF SECURITIES

During the year 2020-21, the Company has not made any Rights Issue or Preferential Allotment of Securities.

8. DEPOSITS:

The company has not accepted any deposit within the meaning of Section 73 of Companies Act, 2013 and the Rules framed there under during the year and therefore no amount of principal or interest was outstanding as on the date of the Balance Sheet.

9. CHANGE IN THE NATURE OF BUSINESS AND FUTURE OUTLOOK:

There has been no change in the business of the Company during the financial year ended 31st March, 2021.

10. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There has not been any significant change which has otherwise affected in any manner the financial performance of the Company during the period between the end of the financial year and the date of this report.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are well within limit during the year under review.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year ended 31st March, 2021 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

13. ANNUAL RETURN

The Annual Return of the Company is available on the website of the Company at https://www.netwebindia.com/Form%20MGT-7-NTEWEB_20-21.pdf.

14. DETAILS OF SIGNIFICANT ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year no notices or orders or any directions by any Government Regulator, Court or Tribunal were received by the company which would otherwise affect the working and / or the performance of the Company in the coming near future.

15. DETAILS OF SUBSIDIARY/ HOLDING / JOINT VENTURE/ASSOCIATE COMPANIES:

The Company does not have any subsidiary company / Holding company / Joint Venture /Associate Companies as on 31st March 2021.

16. STATUTORY AUDITORS:

M/s MDT& Co., Chartered Accountants (Firm Registration No. 026251N), Faridabad, the Statutory Auditors of the company has been appointed in the Annual General Meeting held in the year 2020 for the period of five years i.e for the FY 2020-2021 to 2024-2025 till the AGM held to be held in the year 2025.

17. AUDITORS REPORT:

Report of the Auditors and their observations and notes to the accounts of the Company for the year are attached herewith which are self-explanatory. There is no qualification made by the Auditors in their Report.

18. COMMENTS BY THE BOARD ON EVERY QUALIFICATION RESERVATIONS ETC. OR ADVERSE REMARK MADE BY AUDITOR'S

The observations of the **Statutory Auditors**, when read together with the relevant notes to the accounts and accounting policies are self-explanatory. There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

The Cost audit of the Company as required to be conducted for the financial year 2020-21 as per provisions of Section 148 of the Companies Act, 2013 has been conducted by M/s SUNNY CHHABRA & CO., Cost Accountants, Greater Noida West,.

19. PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) & (3) of rules The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended up to date is not required to be circulated as part of this report.

20. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes immense pride in the hard work, commitment, competence, loyalty and unfailing dedication shown by its employees in all areas of business. HRD Department acts as a facilitator between the Management and the Staff in ensuring clear lines of communication on the Company's policies, procedures and issues related to Human Resources and provides a clear set of guidelines to employees on their terms and conditions of employment as enumerated in the Service Manual. The ethos of the Company is based on a strong ethical value system of remaining true to our beliefs, being accountable for our actions, being honest in all our dealings, treating people with self-respect, and, by team-work, ensuring that we tap all opportunities to bring prosperity and continuous profitability to our organization which can then be shared with our Shareholders and Employees and those who associate with us.

21. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures

22. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 of the Board of Directors of the Company confirms that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2021 the Company has followed the applicable accounting standards and there are no material departures from the same.
- b) The directors have selected such accounting policy 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 as at 31st March, 2021 and of the Profit and Loss of the Company for that period.
- c) The directors have taken proper and sufficient care for the maintenance and adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting other irregularities.
- d) The directors have prepared the Annual Accounts on a "going concern" basis.
- e) The Company being unlisted Sub-Clause e of Section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

23. DISCLOSURE AS PER REQUIREMENT OF SECTION 134(3)(m) OF COMPANIES ACT, 2013 AND RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

a. CONSERVATION OF ENERGY

The management of the company has always been conscious about the importance of conservation of energy at all the stages of operational level and ensure that adequate steps and measures are taken by the Company from time to time to minimize the energy conservation wherever possible by introducing energy efficient equipments.

b. TECHNOLOGY ABSORPTION

The company takes from time to time into action any new technology which would be otherwise helpful in cost reduction, productive development or increase in quality of products or services.

c. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange Earnings were Rs. NIL/- and out go was Rs. 90,30,12,034/- during the year.

24. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

There were no change in the Board of Directors during the year.

25. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The meetings of Board of Directors of the Company were held 11 times during the said Board Meetings were duly called and held and requisite notices were issued for such meetings and that the minutes of these meetings were recorded in the Minutes Book of the Company in accordance with the provisions of the Companies Act, 2013 and the relevant rules there under.

***The number of meetings attended by the Directors during the FY 2020-21 is as follows:**

<u>Name of the Directors</u>	<u>Number of meetings attended/total meetings held during the FY 2020-21</u>	
	Held	Attended
SANJAY LODHA	11	11
VIVEK LODHA	11	11
NAVIN LODHA	11	11
NIRAJ LODHA	11	11

26. COMPANIES POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Since provisions of Section 178(1) are not applicable, the Company is not required to constitute any Nomination and Remuneration Committee of directors.

27. CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility ('CSR') is a way of conducting business, by which corporate entities visibly contribute to the social good and the welfare of society at large with an aim to improve quality of life of people. The Company feels that the essence of CSR is to integrate economic, environmental and social objectives with the Company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies. To give further impetus to this cause, the Company endeavours to manage its operations with an emphasis on Sustainable development to minimize impact on environment and promotes inclusive growth.

The Company had an average profit of Rs.3,46,29,922/- in terms of Section 198 of the Act during the last 3 financial years. Therefore, in pursuance to the provisions of Section 135 of the Act, the Company was required to spend Rs. 6,92,528/- towards CSR activities during the financial year 2020-21. However, the Company could contribute an amount of Rs.2 lakhs on the CSR activities during the financial year ended 31st March, 2021.

The CSR policy of the Company is available on the website of the Company. The Company's CSR policy statement and the annual report on CSR activities undertaken during the financial year ended 31st March, 2021, in accordance with the provisions of Section 135 of the

Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is given at "Annexure A" to this Report.

The CSR Committee comprises four Directors namely Shri Sanjay Lodha (Chairman) and Shri Vivek Lodha, Shri Navin Lodha and Shri Niraj Lodha. The details of the CSR Committee meetings and the attendance of the members thereat are provided in the CSR Report and forms part of this Report.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment.

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. RISK MANAGEMENT:

Involvement of various types of risks is prone to almost all types of industries and the management of your company is quite aware of it and is in the process of identification, assessment and mitigation of such risks. The Company has laid down a comprehensive risk assessment and minimization procedure for the purpose of reducing the possible business risks such as project execution, any unforeseen or sudden event, financial risk, environmental risk, risk related to statutory compliances and competition risk. These procedures are viewed by the Board of Directors periodically to ensure that the management is effectively and properly controlling such risk under a defined framework.

30. ACKNOWLEDGEMENT:

The directors would like to express their sincere appreciation for the assistance and co-operation received by the Company from banks, government authorities, customers, vendors and members during the year. The directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**By order of Board of Directors
For Netweb Technologies India Private Ltd**

**Place: Kolkata
Date: 11/09/2021**

**(Sanjay Lodha)
Managing Director
DIN:00461913**

**(Navin Lodha)
Wholetime Director
DIN:00461924**

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken to the CSR policy and project or programs

Corporate Social Responsibility is a management concept, whereby Company strive to integrate social and environmental concerns in our business operations. The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

The Company understands to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the company's responsibilities towards the community.

The Board of Directors (the "Board") of Netweb Technologies India Private Limited, has adopted the policy and procedures striving for economic and social development that positively impacts the society at large and more specifically communities in which Company operate.

The Company has framed the Policy as per the requirement of Sections 135 of the Companies Act, 2013 ("Act") read with applicable Rules and Regulations under the Act.

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Netweb Technologies India Private Limited will act as a good corporate citizen and the objective of the policy is to actively contribute to the social, environmental and economic development of the society in which company operates.

2. The Composition of the CSR Committee

The CSR committee is consisting of following members:

- 1) Mr. Sanjay Lodha - Chairman (Managing Director)
- 2) Mr. Vivek Lodha - Whole Time Director
- 3) Mr Niraj Lodha- Whole Time Director
- 4) Mr Navin Lodha- Whole Time Director

3. Average net profit before tax of the Company for last three financial years/ Prescribed CSR Expenditure (two per cent. of the Net Profit)

The calculation of Net profit for the last three is as follows:

<i>Particulars</i>	<i>Amount</i>
	<i>Rs.</i>
<i>Net Profit before tax (as per section 198) of FY 17-18</i>	10,783,881
<i>Net Profit before tax (as per section 198) of FY 18-19</i>	38,887,370

Net Profit before tax (as per section 198) of FY 19-20	54,218,515
Total (A)	103,889,766
Average of Net Profit of the preceding 3 Financial Years (B) =(A/3)	34,629,922
Prescribed CSR expenditure (2% of last three year profit before tax)(C)=(B*2%)	692,598

4. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year: Rs. **692,598**

(b) Total amount to be spent Previous Financial year: --

(c) Total amount spent during the year: **Rs. 200,000**

(b) Amount unspent, if any: **Rs. 492,598**

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Project or programs- Specify the State/Union Territory where the Project/Program was undertaken	Projects or programs- Specify the district where projects or programs was undertaken	Amount outlay (budget) projects or program wise (in Rs.)	Amount spent on the projects or programs (in Rs.)	Expenditure on Administrative overheads (in Rs.)	Mode of Amount Spent
1								
2								

5. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. During the financial year 2020-21, your Company endeavored to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years or before the end current financial year through structured events or programs and projects. The Company's CSR initiatives usually involve setting the foundation of various programs at a small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced sustainable model to ensure maximum benefit to the community. Due to global pandemic COVID-19, the Company's spend on the CSR activities has not been made as prescribed under Companies Act, 2013. The CSR activities are scalable which coupled with new initiatives that may be considered in future, moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits. Your Company has taken steps in the right direction and going forward is committed to actively engage with the partners/NGOs to execute the said events or projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The Company recognizes its obligations to act responsibly, ethically and with integrity in its dealings with employees, community, customers and the environment as a whole. At Netweb Technologies India Private Limited, we know that corporate responsibility is essential to our current and future success as a business. The Company believes it has the greatest opportunity to drive values through CSR initiatives in areas pertaining to Health, Education, Environmental sustainability, Rural development, COVID relief initiative and has committed to improving the quality of life in communities in many years. The Company believes that no business can be done in isolation from society. Society permits business to exist and grow and it is on the basis of these social standards that business functioning is to be ultimately judged.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Netweb Technologies India Private Ltd

Place: Kolkata
Date: 11/09/2021

(Sanjay Lodha)
Managing Director
DIN:00461913

(Navin Lodha)
Wholetime Director
DIN:00461924

INDEPENDENT AUDITOR'S REPORT

To the members of,
NETWEB TECHNOLOGIES (INDIA) PRIVATE LIMITED

Report on the audit of Financial Statements

Opinion

We have audited the accompanying financial statements of NETWEB TECHNOLOGIES (INDIA) PRIVATE LIMITED (“the Company”), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021 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 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 Act and the rules there under, 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 is responsible for the preparation of the other information. The other information obtained at the date of this Audit report is the information included in the Board’s Report including Annexure to Board’s Report, 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 identified above and, in doing so, consider whether such 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 on the other information, we conclude that there is a material misstatement in therein, 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 the with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A”, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; 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) We are explained that the Company does not have any pending litigations which would impact its financial position in its financial statements.
 - (ii) We are explained that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MDT & Company
Chartered Accountants
(Firm’s Registration Number: 026251N)

Mukul Kedia
(Proprietor)
Membership No. 517674

UDIN : 21517674AAAAIG5580

Place: Faridabad
Date: 5th August 2021

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report that:

- (i). (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- (ii). As explained to us, physical verification of inventory (except material in transit and lying with third parties) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (iii). As explained to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv). In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments made.
- (v). The company has not accepted any deposits from public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi). We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the "Companies Act 2013" in respect of Company's product and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii). (a) According to the records of company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, E.S.I., Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- (viii). According to the information and explanation available to us, the company has not defaulted in repayment of dues to financial institutions and banks.

- (ix). The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x). According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi). According to the information and explanations given to us, the Company is not a public company, hence provisions of section 197 read with Schedule V to the Act are not applicable to the Company.
- (xii). In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv). According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi). The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For MDT & Company
Chartered Accountants
(Firm's Registration Number: 026251N)

Mukul Kedia
(Proprietor)
Membership No. 517674

UDIN : 21517674AAAAIG5580

Place: Faridabad
Date: 5th August 2021

Annexure B to the Auditor's 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 the Company as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2021, 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 MDT & Company

Chartered Accountants

(Firm's Registration Number: 026251N)

Mukul Kedia

(Proprietor)

Membership No. 517674

UDIN : 21517674AAAAIG5580

Place: Faridabad

Date: 5th August 2021

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
BALANCE-SHEET AS AT 31ST MARCH 2021

Particulars	Note	2020-21	2019-20
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
(a) Share Capital	2	56,582,200	56,582,200
(b) Reserves and Surplus	3	194,395,862	89,909,069
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	144,150,111	105,291,165
(3) Current Liabilities			
(a) Short-Term Borrowings	6	129,499,950	15,000,289
(b) Trade Payables due to	7		
- Micro and Small enterprises		-	-
- Other than micro and small enterprises		409,555,942	151,591,819
(c) Other current liabilities	8	115,722,561	56,745,919
(d) Short Term Provisions	9	30,744,330	3,044,564
Total		1,080,650,956	478,165,025
<u>II. ASSETS</u>			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	10	53,613,827	47,573,798
(b) Long term Loans and Advances	11	3,227,722	3,032,722
(c) Deferred Tax Assets (net)	12	2,077,763	1,861,390
(2) Current assets			
(a) Inventories	13	143,556,849	98,091,006
(b) Trade Receivables	14	730,822,188	196,409,510
(c) Cash and Cash Equivalents	15	77,063,254	66,191,391
(d) Short-term Loans and Advances	16	70,289,353	65,005,208
Total		1,080,650,956	478,165,025

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MDT & Company

Chartered Accountants

(Reg No 026251N)

For and on behalf of the board of directors of

Netweb Technologies (India) Private Limited

Mukul Kedia

Proprietor

M No 517674

[Director]

Sanjay Lodha

DIN - 00461913

[Director]

Navin Lodha

DIN - 00461924

Place : Faridabad

Date : 5th August 2021

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Note	2020-21	2019-20
Revenue from Operations	17	1,579,853,532	1,564,039,517
Other Income	18	10,207,692	14,632,810
Total Revenue (I)		1,590,061,224	1,578,672,327
Expenses:			
Cost of Raw Material Consumed	19	1,185,918,587	1,294,343,211
Changes in inventories of finished goods & work in progress	20	-1,977,463	-15,498,068
Employee Benefit Expenses	21	124,217,363	105,241,413
Finance costs	22	28,506,141	31,316,532
Depreciation & Amortization expenses	10	9,925,544	9,438,262
Other Expenses	23	99,520,196	99,612,462
Total Expenses (II)		1,446,110,368	1,524,453,812
Profit before tax (I-II)		143,950,856	54,218,515
Tax Expenses:			
Current tax		39,000,000	14,000,000
Prior period tax		680,436	-656,644
Deferred Tax charge (benefit)		-216,373	51,610
Total tax expense		39,464,063	13,394,966
Profit for the year		104,486,793	40,823,549
Earning per share (Face Value Rs. 10 each)			
- Basic & diluted	24	18.47	7.21

Summary of significant accounting policies 1
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For MDT & Company
Chartered Accountants
(Reg No 026251N)

For and on behalf of the board of directors of
Netweb Technologies (India) Private Limited

Mukul Kedia
Partner
M No 517674

[Director]
Sanjay Lodha
DIN - 00461913

[Director]
Navin Lodha
DIN - 00461924

Place : Faridabad
Date : 5th August 2021

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Note	2020-21	2019-20
<u>CASH FLOW FROM OPERATING ACTIVITIES :</u>			
Net Profit Before Tax		143,950,856	54,218,515
<u>Non- Cash Items</u>			
Add: Depreciation		9,925,544	9,438,262
Less: Interest on fixed deposit		(2,160,284)	(2,619,503)
Add: Interest on Loans		20,684,318	15,099,500
Operating Profit Before Working Capital Changes		172,400,434	76,136,774
<u>Changes in working capital</u>			
(Increase) /decrease in Inventories		(45,465,843)	(15,804,337)
(Increase) /decrease in Trade Receivables		(534,412,678)	107,774,804
(Increase) /decrease in Loans & Advances		(5,479,145)	(31,683,011)
Increase /(decrease) in Trade Payables		257,964,123	(76,493,824)
Increase /(decrease) in long term liabilities		-	(9,263,326)
Increase /(decrease) in Other current liabilities		57,289,954	(5,067,817)
Cash generated from operations		(97,703,155)	45,599,263
Less: Tax paid		(11,980,670)	(16,476,694)
Net cash from operating activities (A)		(109,683,825)	29,122,569
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>			
Purchase of Fixed Assets		(15,965,573)	(15,567,521)
Interest received on fixed deposit		2,160,284	2,619,503
Investment in fixed deposit		(10,611,040)	(15,912,824)
Net cash (used in) investing activities (B)		(24,416,329)	(28,860,842)
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>			
Proceeds (repayment) from short term borrowings		114,499,661	(19,095,563)
Proceeds from long term borrowings		40,545,634	42,754,464
Interest paid on loans		(20,684,318)	(15,099,500)
Net cash from/ (used in) financing activities (C)		134,360,977	8,559,401
Net increase in cash and cash equivalents (A+B+C)		260,823	8,821,128
Cash and cash equivalents at beginning of the year		19,979,612	11,158,484
Cash and cash equivalents at end of the year	15	20,240,435	19,979,612

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For MDT & Company
Chartered Accountants
(Reg No 026251N)

For and on behalf of the board of directors of
Netweb Technologies (India) Private Limited

Mukul Kedia
Partner
M No 517674

[Director]
Sanjay Lodha
DIN - 00461913

[Director]
Navin Lodha
DIN - 00461924

Place : Faridabad
Date : 5th August 2021

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

Notes to the financial statements for the year ended 31 March 2021

1. Summary of significant accounting policies

a. Basis of preparation

The financial statements of the company are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared on an accrual basis and under the historical cost convention. The company has prepared these financial statements to comply in all material respects with the accounting standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

b. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in the future period.

c. Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses were incurred.

Gains or losses arising from derecognition of the Fixed Assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and loss when the asset is derecognized.

d. Depreciation on fixed assets

Depreciation on fixed asset is calculated on the basis of WDV Method using the rate as prescribed under Schedule II to the Companies Act 2013.

Depreciation on addition/ deletion to fixed assets is provided on Pro – rata basis from/ to the date of additions/ deletions.

e. Borrowing Cost

Borrowing Cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing cost if 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 cost are expensed in the period they occur.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

Notes to the financial statements for the year ended 31 March 2021

f. Inventories

Stock-in-Trade is valued at lower of cost and Market Price. Inventory Cost comprise of all cost of purchases, cost of conversion and cost incurred in bringing the inventory to the present location and condition.

g. 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. The following specific recognition criteria must also be met before revenue is recognized-

Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The amount recognized as revenue is exclusive of Goods and Service Tax (GST), and is net of returns, trade discounts and quantity discounts.

h. Income Taxes

Tax expenses comprise current 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 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred Income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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 realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

i. Earnings per Share

Basic Earnings per Share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

j. Contingent Liabilities and Provision

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognized because

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

Notes to the financial statements for the year ended 31 March 2021

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation
- a reliable estimate of the amount of the obligation cannot be made.

A provision is recognized when the company has a present obligation as a result of past event or it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and are adjusted to reflect the current best estimates.

k. Cash and Cash Equivalents

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

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-2 :SHARE CAPITAL

A. Statement of Share Capital :-

<u>Share Capital</u>	<u>2020-21</u>		<u>2019-20</u>	
	No. of Units	Amount (Rs.)	No. of Units	Amount (Rs.)
<u>Authorised</u>				
Equity Shares of Rs.10 each	6,000,000	60,000,000	6,000,000	60,000,000
<u>Issued, Subscribed & fully Paid up</u>				
Equity Shares of Rs.10 each	5,658,220	56,582,200	5,658,220	56,582,200
	5,658,220	56,582,200	5,658,220	56,582,200

B. Reconciliation of the No. of shares & amount outstanding at the beginning and at the end of the year

<u>Particulars</u>	<u>Equity shares</u>			
	<u>2020-21</u>		<u>2019-20</u>	
	No. of Units	Amount (Rs.)	No. of Units	Amount (Rs.)
Shares outstanding at the beginning of the year	5,658,220	56,582,200	5,658,220	56,582,200
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,658,220	56,582,200	5,658,220	56,582,200

C. Details of Shareholders holding more than 5% shares:-

<u>Name of Shareholder</u>	<u>2020-21</u>		<u>2019-20</u>	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<u>Equity shares of Rs.10 each, fully paid up</u>				
1 Sanjay Lodha	2,538,710	44.87%	2,538,710	44.87%
2 Vivek Lodha	498,900	8.82%	498,900	8.82%
3 A K Lodha & Sons (HUF)	392,100	6.93%	392,100	6.93%
4 Sanjay Lodha (HUF)	346,100	6.12%	346,100	6.12%
5 Niraj Lodha	308,900	5.46%	308,900	5.46%
6 R P Lodha & Sons (HUF)	303,100	5.36%	303,100	5.36%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

D. Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

E. Shares allotted as fully paid without payment being received in cash

During the year ended 31st March 2017, 30,00,000 shares were issued to Sanjay Lodha pursuant to takeover of business of Netweb Technologies (Prop. Sanjay Lodha) without payment being received in cash.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-3 :RESERVE AND SURPLUS

	2020-21	2019-20
	Rs.	Rs.
Securities Premium Reserve	7,992,000	7,992,000
Surplus in the statement of profit and loss		
Opening balance	81,917,069	41,093,520
(+) Net Profit for the current year	104,486,793	40,823,549
Closing Balance	186,403,862	81,917,069
Total Reserve & Surplus	194,395,862	89,909,069

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-4 : LONG TERM BORROWINGS

	<u>Non current portion</u>		<u>Current portion</u>	
	<u>2020-21</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2019-20</u>
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Term Loan				
Term Loan from banks, secured	9,406,846	8,841,980	4,090,686	-
Vehicle Loans from banks & FI, secured	8,385,899	6,740,250	2,354,351	1,514,518
Term loan from banks & FI, unsecured	7,219,206	18,373,751	11,168,584	14,412,415
Other loans				
Loan from directors and relatives, unsecured	41,004,033	27,724,653	-	-
Inter corporate loans, unsecured	78,134,127	43,610,531	-	-
	144,150,111	105,291,165	17,613,621	15,926,933
Amount disclosed under the head "other current liabilities" - (note 8)	-	-	-	-
Net amount	144,150,111	105,291,165	17,613,621	15,926,933

(a) Term Loan from bank is secured against hypothecation of fixed assets of the Company (excluding land & building and vehicle). This along with CC Limit and BG Limit are secured against properties of directors of Company and fixed deposits of the Company. Further there is also personal guarantee of directors of Company.

(b) Vehicle Loans are secured against the hypothecation of respective vehicles.

(c) Term loan from banks and financial institutions are personally guaranteed by directors of Company.

The repayment terms of the loan outstanding are as follows :-

Category of loan	Payment terms	Rate of interest (%)	Amount of instalment (Rs.)
Term Loan from bank, secured	Monthly	7.50% - 10.05%	1,027,170
Vehicle Loans, secured	Monthly	7.35% - 9.00%	260,676
Term loan from Banks & FI, unsecured	Monthly	16.5% - 17.00%	1,147,475

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-6 : SHORT TERM BORROWINGS

	2020-21	2019-20
	Rs.	Rs.
Cash Credit limit from Bank, secured	129,499,950	15,000,289
TOTAL	129,499,950	15,000,289

Cash Credit limit is secured against hypothecation of stock, debtors and current assets of the Company as primary security. Further CC Limit with BG Limit and Term Loan are secured against properties of directors of Company and fixed deposits of the Company as collateral security. They are also guaranteed by directors of the Company. It carries interest rate of Repo rate (+) 6.05%

NOTE-7 : TRADE PAYABLES

	2020-21	2019-20
	Rs.	Rs.
Trade Payables due to		
Micro and small enterprises	-	-
Other than micro and small enterprises	409,555,942	151,591,819
TOTAL	409,555,942	151,591,819

- Based on the information available with the management, there is no amount outstanding to micro and small enterprises

NOTE-8 : OTHER CURRENT LIABILITIES

	2020-21	2019-20
	Rs.	Rs.
Current Maturity of long term debts (Refer Note 4)	17,613,621	15,926,933
Others		
Salary and Wages payable	23,930,669	14,520,520
Expenses Payable	39,799,797	14,832,118
Advance from Customers	22,951,423	7,323,766
Statutory Dues	11,427,051	4,142,582
TOTAL	115,722,561	56,745,919

NOTE-9 : SHORT TERM PROVISIONS

	2020-21	2019-20
	Rs.	Rs.
Provision for Tax		
During the year	39,000,000	14,000,000
Less: Advance Tax	5,000,000	7,000,000
Less: TDS/ TCS deducted	3,255,670	3,955,436
	30,744,330	3,044,564

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-11 : LONG TERM LOANS & ADVANCES

	2020-21	2019-20
	Rs.	Rs.
<u>Security Deposits</u>		
Unsecured, considered good	3,227,722	3,032,722
TOTAL	3,227,722	3,032,722

NOTE-12 : DEFERRED TAX ASSETS (Net)

	2020-21	2019-20
	Rs.	Rs.
Opening Difference	7,395,273	7,357,692
<u>Addition</u>		
Extra Depreciation in books	744,445	1,361,845
Professional tax not paid	115,200	-
<u>Deletion</u>		
Other adjustments	-	1,324,264
Closing Difference	8,254,918	7,395,273
Rate	25.17%	25.17%
Deferred Tax Asset	2,077,763	1,861,390
Less: Deferred Tax asset of the previous year	1,861,390	1,913,000
Deferred Tax benefit (Expense)	216,373	(51,610)

NOTE-13: INVENTORIES

(Valued at lower of cost and Net Realizable Value)

	2020-21	2019-20
	Rs.	Rs.
Raw Materials	120,530,653	77,042,273
Finished Goods	23,026,196	21,048,733
TOTAL	143,556,849	98,091,006

NOTE-14: TRADE RECEIVABLES

(Unsecured, considered good)

	2020-21	2019-20
	Rs.	Rs.
Outstanding for a period more than six months from the date they become due for payment	31,780,781	31,685,775
Other receivables	699,041,407	164,723,735
TOTAL	730,822,188	196,409,510

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-15:CASH & BANK BALANCES

	2020-21	2019-20
	Rs.	Rs.
Cash and Cash Equivalents		
Cash in hand	1,508,121	1,946,643
Balances with banks	18,732,314	18,032,969
<i>Others</i>		
Fixed deposit pledged with bank as Margin Money and Collateral Security (original maturity more than 3 months)	56,822,819	46,211,779
TOTAL	77,063,254	66,191,391

NOTE-16 :SHORT TERM LOANS & ADVANCES

	2020-21	2019-20
	Rs.	Rs.
(a) Earnest Money Deposit	8,012,379	11,078,614
<u>(b) Others Loans & Advances</u>		
Unsecured, considered good	6,919,030	4,882,507
<u>(c) Balance with Government Authorities</u>		
Revenue Authority	100,000	100,000
GST Credit	39,124,818	36,600,273
GST Paid under RCM	18,650	171,000
GST Refund Claim	16,114,476	11,802,274
Income Tax Refundable	-	370,540
TOTAL	70,289,353	65,005,208

Note - Other loan & advances

Advance to vendors	1,762,097	2,188,954
Advance to Staff	3,164,768	1,908,160
Prepaid Expenses	1,864,138	591,244
Balance with financial institutions	128,027	194,149
	6,919,030	4,882,507

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-17 :REVENUE FROM OPERATIONS

	2020-21	2019-20
	Rs.	Rs.
A. Sale of Products	1,551,329,005	1,537,649,651
B. Other Operating Revenues:	28,524,527	26,389,866
TOTAL	1,579,853,532	1,564,039,517
<u>Notes:</u>		
<u>(i)Sale of product comprises of-</u>		
Manufactured Goods (Servers) & Spares		
Sale of Goods	1,551,329,005	1,537,649,651
	1,551,329,005	1,537,649,651
<u>(ii)Other operating revenue comprises of-</u>		
Service income including AMC and software	28,524,527	26,389,866
	28,524,527	26,389,866

NOTE 18: OTHER INCOME

	2020-21	2019-20
	Rs.	Rs.
Interest Income on FDR	2,160,284	2,619,503
Miscellaneous Income	7,747	23,396
Dollar Rate Fluctuation	2,883,503	2,809,454
Sundry Balance W/O	5,156,158	9,180,457
TOTAL	10,207,692	14,632,810

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE 19 :COST OF RAW MATERIAL CONSUMED

	2020-21	2019-20
	Rs.	Rs.
Opening Stock of Raw Materials	77,042,273	76,736,004
Add: Purchases of raw material	1,198,477,865	1,271,248,828
Add :Direct Expenses (Material)	30,929,102	23,400,652
	1,306,449,240	1,371,385,484
Less: Closing Stock of Raw Materials	120,530,653	77,042,273
Cost of Raw Material Consumed	1,185,918,587	1,294,343,211
<u>Direct Expenses (Material)</u>		
Custom Clearing Charges	2,220,789	2,018,857
Custom Duty	5,608,589	5,005,848
Demurrage Charges	14,223	-
Handling Charges	5,000	56,587
Import Clearing Charges	548,736	612,400
Inward Freight Charges	22,165,285	14,843,824
Loading & Unloading Charges	16,000	-
Labour Charges	330,344	582,582
Warehouse Charges	20,136	280,554
	30,929,102	23,400,652

NOTE 20: CHANGES IN INVENTORIES

	2020-21	2019-20
	Rs.	Rs.
Opening stock of Finished Goods	21,048,733	5,550,665
Less: Closing stock of Finished Goods	23,026,196	21,048,733
TOTAL	(1,977,463)	(15,498,068)

NOTE-21: EMPLOYEE BENEFIT EXPENSES:

	2020-21	2019-20
	Rs.	Rs.
Salaries and wages	69,142,966	67,159,470
Contribution to provident and other funds	390,272	440,408
Bonus and incentive	19,701,572	12,093,339
Staff Welfare Expenses	1,450,470	1,915,075
Insurance for Employees	532,083	233,121
Sub Total	91,217,363	81,841,413
Director's Remuneration	33,000,000	23,400,000
TOTAL	124,217,363	105,241,413

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE-22: FINANCE COST:

	2020-21	2019-20
	Rs.	Rs.
Bank charges	7,821,823	16,169,532
<u>Interests Expenses on:</u>		
Unsecured Loans	13,378,845	8,836,392
Cash Credit	5,375,205	4,690,409
Term Loan	1,930,268	1,572,699
Insurance Charges for Finance	-	47,500
TOTAL	28,506,141	31,316,532

NOTE-23 :OTHER EXPENSES

	2020-21	2019-20
	Rs.	Rs.
Other Direct Expenses		
Electricity Charges	2,520,728	2,322,548
Technical Service Charges	16,206,227	5,132,000
Sub Total	18,726,955	7,454,548
<u>Indirect Expenses</u>		
Annual Maintenance	1,485,834	1,450,692
Business Promotion	2,622,093	4,780,476
Car Hire Charges	1,464,234	1,064,769
Customer Support Expenses	884,319	2,233,096
Discount	20,000	29,420
Delivery Charges	49,385	1,412,803
Printing & stationery	948,644	1,629,102
BIS Expenses & Evaluation	96,000	174,000
Advertisement & publicity	-	141,109
Rent Building	7,591,952	7,568,237
Rent utilities	190,326	215,247
General Expenses	1,524,353	1,954,522
Travelling & conveyance	10,360,006	17,485,479
Membership Fees	115,000	126,000
Legal and Professional charges	4,986,089	4,995,715
Certification Charges	141,137	109,500
Rates & Taxes	333,100	295,512

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

	<u>2020-21</u>	<u>2019-20</u>
Electricity charges	751,118	1,138,110
Office expenses	2,290,825	2,684,232
Telephone and internet expense	3,157,791	2,884,146
Tender Fees	228,579	200,600
Miscellaneous Expense	-	65,300
Security Guard Hire Charges	744,000	744,000
Payment to Auditor	150,000	150,000
Charity & Donation	200,000	385,152
Balance Written Off	1,797	8,318
<u>Repair & Maintenance Expenses</u>		
- Car	1,423,624	1,821,558
- Computer	1,091,128	2,024,904
- Building	61,972	114,912
- Others	673,335	1,666,822
Registration Charges	32,500	67,045
Petrol & Lubricants	1,516,827	2,297,792
Postage & Courier charges	662,926	1,972,837
Freight & Cartage	7,800,046	8,000,513
Installation Expenses	3,139,771	2,275,544
Insurance Charges	2,049,771	1,525,558
Packing & Forwarding Expenses	1,029,526	1,401,128
RMA Expenses	226,643	576,335
Commission & Brokerage	15,671,368	7,276,854
Seminar & Exhibition Expenses	19,942	3,078,133
Warranty Support Expenses	433,906	1,213,392
Water Expenses	12,894	8,880
Late Delivery Charges	505,629	1,343,120
Training Program & Stipend	115,115	231,903
Transaction Charges-GEM	2,434,458	442,734
Books & Periodicals	24,240	68,293
Foreign Travelling Expenses	-	799,120
E-waste management expense	166,000	25,000
Service Charges	1,365,038	-
Sub Total	80,793,241	92,157,914
	-	-
TOTAL	99,520,196	99,612,462
	-	
Payment to Auditors (excluding taxes)	2020-21	2019-20
As Auditor:		
Audit Fee	110,000	110,000
Tax Audit Fee	40,000	40,000
	150,000	150,000

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

10. Tangible assets

	Land	Buildings	Furniture and fixtures	Plant and equipment	Office equipments	Electrical fittings	Computer	Vehicles	Total
Cost or valuation									
As at 1 April 2019	6,713,310	14,595,689	11,649,837	11,553,546	1,507,758	5,928,771	10,477,934	10,406,292	72,833,137
Additions	-	602,408	964,415	784,966	273,516	29,280	1,264,958	11,647,977	15,567,520
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2020	6,713,310	15,198,097	12,614,252	12,338,512	1,781,274	5,958,051	11,742,892	22,054,269	88,400,657
Additions	7,556,036	1,203,393	389,438	52,734	748,179	29,700	1,519,991	4,466,102	15,965,573
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2021	14,269,346	16,401,490	13,003,690	12,391,246	2,529,453	5,987,751	13,262,883	26,520,371	104,366,230
Depreciation									
As at 1 April 2019	-	1,714,022	5,740,279	6,748,045	1,095,936	3,196,939	6,021,953	6,871,423	31,388,597
Charge for the year	-	637,654	1,662,883	1,575,842	244,917	710,893	2,540,912	2,065,161	9,438,262
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	2,351,676	7,403,162	8,323,887	1,340,853	3,907,832	8,562,865	8,936,584	40,826,859
Charge for the year	-	631,795	1,414,708	1,162,321	344,939	534,074	1,719,925	4,117,782	9,925,544
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	2,983,471	8,817,870	9,486,208	1,685,792	4,441,906	10,282,790	13,054,366	50,752,403
Net block									
As at 31 March 2020	6,713,310	12,846,421	5,211,090	4,014,625	440,421	2,050,219	3,180,027	13,117,685	47,573,798
As at 31 March 2021	14,269,346	13,418,019	4,185,820	2,905,038	843,661	1,545,845	2,980,093	13,466,005	53,613,827

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

24. Earnings per Share (EPS)

The following reflects the profits and share data used in the basic and diluted EPS Computations :

		<u>2020-21</u>	<u>2019-20</u>
Profits available for equity shareholders for calculation of earnings per share (Rs.)	(A)	104,486,793	40,823,549
Weighted avg number of equity shares outstanding	(B)	5,658,220	5,658,220
Nominal value of equity share (Rs)		10	10
Basic earnings per share (Rs)	(A/B)	18.47	7.21
Diluted earnings per share (Rs)	(A/B)	18.47	7.21

25. Segment Information

The company is engaged in the business of manufacturing and sale of computer servers. There is other operating revenue in the form of AMC and related services. Accordingly, the Company has only computer server as its business segment. Further, the economic environment in which the Company operates is significantly similar and is not subject to materially different risks and returns. Accordingly, no separate disclosures are considered necessary under the Accounting Standard - 17 on 'Segment Reporting'. Secondary segmentation based on geography has not been presented as the Company only operates from single geographical location, primarily within India.

26. Value of imports during the year (on CIF Basis)

	<u>2020-21</u>	<u>2019-20</u>
	<u>Rs.</u>	<u>Rs.</u>
Raw Material	903,012,034	688,274,273
Capital Goods	-	-
	<u>903,012,034</u>	<u>688,274,273</u>

27. Expenditure in foreign currency during the year

	<u>2020-21</u>	<u>2019-20</u>
	<u>Rs.</u>	<u>Rs.</u>
Travelling expense	-	799,120
	<u>-</u>	<u>799,120</u>

28. Value of Raw materials consumed during the year

	<u>2020-21</u>		<u>2019-20</u>	
	<u>Percentage</u>	<u>Rs.</u>	<u>Percentage</u>	<u>Rs.</u>
Raw Material				
- Imported	76%	903,012,034	53%	688,274,273
- Indigenous	24%	282,906,553	47%	606,068,938
Total	<u>100%</u>	<u>1,185,918,587</u>	<u>100%</u>	<u>1,294,343,211</u>

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

29. Contingent Liability

- Guarantees

The Company has given counter guarantee to bank of Rs.25,23,07,659 (PY - Rs. 20,00,42,363) in respect of bank guarantee issued to various customers on behalf of the Company.

- Warranty support expense not known, hence not quantified

30. Information related to Corporate Social Responsibility

As per Sec 135 of Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company and Company has incurred following expenditure of CSR :-

Detail of CSR expenditure

	31 March 2021	31 March 2020
	Rs.	Rs.
(a) Gross amount required to be spent by the Company	692,598	-
(b) Detail of amount spent during the financial year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than mentioned in (i) above	200,000	-

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

31. Related party Disclosure

Names of Related Parties and related party relationship

Related Parties with whom transactions have taken place during the year

Key Management Personnel	Sanjay Lodha Navin Lodha Niraj Lodha Vivek Lodha
Relatives of Key Management personnel	A.K.Lodha & Sons Anuja Lodha Madhuri Lodha Navin Lodha (HUF) Niraj Lodha (HUF) Nisha Lodha Priti Lodha R P Lodha & Sons Rudra Prasad Lodha Sandeep Lodha (HUF) Sanjay Lodha (HUF) Sweta Lodha Vivek Lodha (HUF)
Enterprises owned or significantly influenced by Key management Personnel or their relatives	Ashoka Bajaj (P) Ltd

Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year :

a. Loans taken and repayment thereof

Particulars	Year Ended	Loans Taken	Repayment	Interest Expense	Amount owed to related parties
Sanjay Lodha	31.03.2021	1,120,000	-	307,551	3,753,430
Sanjay Lodha	31.03.2020	2,100,000	-	54,587	2,348,945
Navin Lodha	31.03.2021	2,400,000	1,046,890	138,468	2,539,789
Navin Lodha	31.03.2020	225,000	-	99,315	1,058,596
Niraj Lodha	31.03.2021	2,900,000	67,630	313,274	5,358,642
Niraj Lodha	31.03.2020	1,100,000	-	139,172	2,236,494
Vivek Lodha	31.03.2021	2,900,000	101,610	179,738	4,095,976
Vivek Lodha	31.03.2020	700,000	-	60,594	1,131,328
A.K.Lodha & Sons	31.03.2021	-	-	54,655	506,015
A.K.Lodha & Sons	31.03.2020	450,000	-	6,066	455,459
Anuja Lodha	31.03.2021	600,000	53,270	114,870	1,506,809
Anuja Lodha	31.03.2020	600,000	-	51,237	856,696
Madhuri Lodha	31.03.2021	-	-	46,107	426,870
Madhuri Lodha	31.03.2020	200,000	-	27,832	384,221
Navin Lodha (HUF)	31.03.2021	-	-	91,092	843,360
Navin Lodha (HUF)	31.03.2020	750,000	-	10,110	759,100
Niraj Lodha (HUF)	31.03.2021	-	-	182,184	1,686,717

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021**

Niraj Lodha (HUF)	31.03.2020	1,500,000	-	20,219	1,518,197
Nisha Lodha	31.03.2021	500,000	-	233,826	2,597,713
Nisha Lodha	31.03.2020	1,850,000	-	34,915	1,881,424
Priti Lodha	31.03.2021	800,000	-	302,610	3,492,075
Priti Lodha	31.03.2020	1,200,000	-	170,762	2,412,161
R P Lodha & Sons	31.03.2021	-	-	254,057	2,360,479
R P Lodha & Sons	31.03.2020	2,100,000	-	28,307	2,125,476
Rudra Prasad Lodha	31.03.2021	-	-	-	1,897,642
Rudra Prasad Lodha	31.03.2020	1,700,000	-	88,025	1,897,642
Sandeep Lodha (HUF)	31.03.2021	-	-	200,526	1,856,541
Sandeep Lodha (HUF)	31.03.2020	-	-	181,428	1,671,054
Sanjay Lodha (HUF)	31.03.2021	-	-	48,582	449,791
Sanjay Lodha (HUF)	31.03.2020	400,000	-	5,392	404,853
Sweta Lodha	31.03.2021	2,600,000	2,250,000	235,991	2,818,992
Sweta Lodha	31.03.2020	1,100,000	16,550	160,397	2,250,701
Vivek Lodha (HUF)	31.03.2021	-	-	121,456	1,124,479
Vivek Lodha (HUF)	31.03.2020	1,000,000	-	13,480	1,012,132
Ashoka Bajaj (P) Ltd	31.03.2021	-	105,000	342,566	3,697,287
Ashoka Bajaj (P) Ltd	31.03.2020	-	-	320,566	3,485,413

b. Remuneration

	<u>31.03.2021</u>	<u>31.03.2020</u>
Sanjay Lodha	10,200,000	7,800,000
Navin Lodha	7,500,000	5,100,000
Niraj Lodha	7,500,000	5,100,000
Vivek Lodha	7,800,000	5,400,000
Rudra Prasad Lodha	-	2,100,000

32 Previous Year figures have also been regrouped, rearranged and reclassified wherever necessary to confirm to the current year's classification.

As per our report of even date

For MDT & Company

Chartered Accountants
(Reg No 026251N)

For and on behalf of the board of directors of
Netweb Technologies (India) Private Limited

Mukul Kedia
Proprietor
M No 517674

[Director]
Sanjay Lodha
DIN - 00461913

[Director]
Navin Lodha
DIN - 00461924

Place : Faridabad
Date : 5th August 2021