



2022

ANNUAL REPORT

NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED

CiN: U72100HR1999PTC103911

REGISTERED OFFICE:

PLOT NO. H-1, POCKET 9

FARIDABAD INDUSTRIAL TOWN (FIT)

SECTOR-57, BALLABHGARH

HARYANA – 121004, INDIA

WEB LINK: WWW.NETWEBINDIA.COM

Email: corporate@netwebindia.com

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ANNUAL REPORT 2021-22

BOARD OF DIRECTORS

Directors	:	Sanjay Lodha Navin Lodha Vivek Lodha Niraj Lodha
Statutory Auditor	:	Sanmarks & Associates
Cost Auditor	:	Sunny Chhabra & Co.
Bankers	:	Indian Bank
CIN	:	U72100HR1999PTC103911
Registered Office	:	Plot No. H-1, Pocket 9 Faridabad Industrial Town (FIT) Sector-57, Ballabhgarh Haryana – 121004, India
Email	:	corporate@netwebindia.com
Website	:	www.netwebindia.com



NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Members of the NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED (“the company”) will be held on Tuesday, 20th September 2022 at 11:00 A.M. at shorter notice at Plot No-H1, Pocket- 9, Faridabad Industrial Town (FIT) Sector- 57, Faridabad, Ballabgarh , Haryana- 121004, India to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 2022 together with the Board’s Report and the Auditors’ Report thereon.
2. To appoint Statutory Auditors of the Company and fix their remuneration:

“RESOLVED THAT pursuant to the 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 modifications thereof, **M/S SS KOTHARI MEHTA & COMPANY, Chartered Accountant** (Firm Registration no. 000756N) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting to be held on the year 2027 at the remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

3. To ratify the remuneration of the cost auditors of the company for the financial year ending March 31, 2023:

To consider, 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 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the remuneration of Rs. 65000 per annum plus GST inclusive of all out of pocket expenses, approved by the Board of Directors, to be paid to M/s Sunny Chhabra & Co., Cost Accountants (Registration No. 101544) of the company to conduct the audit of cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to perform and execute and to do all such acts, deeds, things, and matters as may be deemed necessary, proper or expedient and for the matters connected herewith or incidental hereto.”

By the Order of the Board

**Sd/-
Sanjay Lodha
Director
DIN: 00461913**

Notes:

1. 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.
2. Shareholders are requested to fill in and sign the Attendance slip and hand over at the entrance to the venue
3. Route Map showing directions to reach to the venue of the 23rd AGM is given at the end of this Notice as a per the requirement of the Secretarial Standard -2 on General Meetings.

Place: Faridabad

Date: 19.09.2022

By the Order of the Board

**Sd/-
Sanjay Lodha
Director
DIN: 00461913**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

As required by sub section 1 of Section 102 of the Companies Act, 2013, the following explanatory statement set out all the material facts relating to Items of the accompanying Notice dated 19th September, 2022.

Item No.: 3

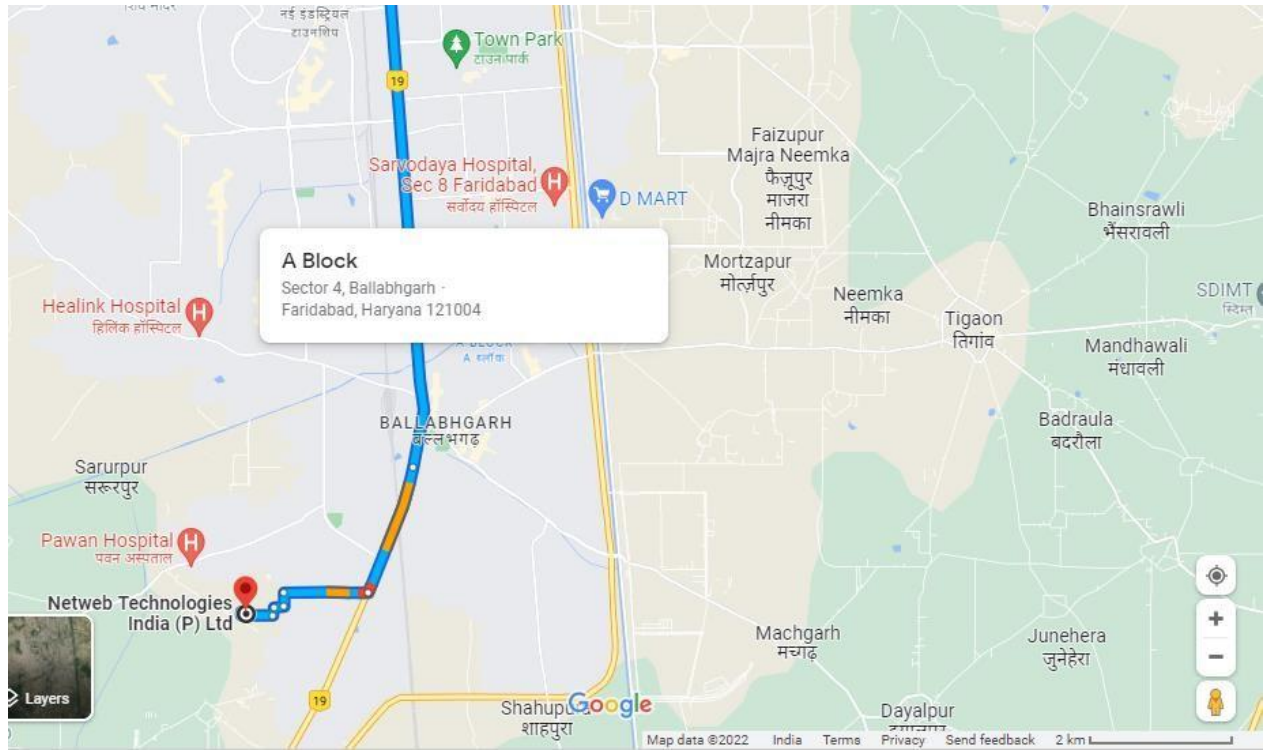
In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the rules made thereunder, the Company is required to have the audit of its cost records conducted by a cost accountant in practice and the remuneration payable to the Cost Auditors as approved by the Board of Directors and has to be ratified by the members of the Company.

The Board has approved the re-appointment and remuneration of M/s Sunny Chhabra & Co. Cost Accountants (Registration No. 101544) as the Cost Auditors of the company to conduct to conduct the audit of the cost records of the Company in respect of the applicable products for the financial year ending March 31, 2023 at an annual remuneration of Rs. 65000 (Rupees Sixty Five Thousand Only) plus applicable taxes inclusive of all out of pocket expenses subject to the deduction of applicable taxes.

M/s Sunny Chhabra & Co. Cost Accountants (Registration No. 101544) have furnished a certificate regarding their eligibility and consent for reappointment as Cost Auditors of the Company. They have experience in the field of cost audit.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 3 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives is/are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice. The Board recommends the Ordinary Resolution set out at item no. 3 of the notice for approval by the members.



THE COMPANIES ACT, 2013

Consent of Shareholder for shorter notice

[Pursuant to Section 101 read with Section 96 & 136 of the Companies Act, 2013]

To,

The Board of Directors

Netweb Technologies India Private Limited

Plot No. H-1, Pocket – 9, Faridabad Industrial Town,

Sector - 57 Faridbad, Ballabhgarh, Haryana -121004

I,....., S/o....., R/o
....., Representative of
....., holding ----- equity shares of Rs. 10/- each in the Company
in its name, hereby give consent, on its behalf, pursuant to notice received under section 101 of the
Companies Act, 2013, for circulation of Audited Financial Statements as per section 136 of the Companies
Act, 2013 along with notice and to convene the 23rd Annual General Meeting on Tuesday, September 20,
2022 at 11:00 a.m. at registered office of the company i.e. Plot No. H-1, Pocket – 9, Faridabad Industrial
Town, Sector - 57 Faridbad, Ballabhgarh, Haryana -121004 at shorter notice.

Signature

Name:

Date:

Place:

NETWEB TECHNOLOGIES INDIA PRIVATE LIMITED

CIN - U72100HR1999PTC103911

DIRECTORS' REPORT

To
The Members,
Netweb Technologies India Private Limited

Your Directors have pleasure in presenting before you the Twenty Third (23rd) Annual Report of the Company for the financial year ended 31st March, 2022 along with audited statements of accounts and Auditors' Report thereon.

1. FINANCIAL HIGHLIGHTS:

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

<u>Particulars</u>	(Rs.)	(Rs.)
	31.03.2022	31.03.2021
Gross Income	2,38,67,38,053	1,590,061,224
Net Profit /(Loss) (PBDT)	2,9,96,52,399	1,58,876,400
Less: Depreciation	1,15,50,207	9,925,544
Net Profit Before Tax	28,81,02,192	14,39,50,856
Provision for Tax	8,00,00,000	39,000,000
Earlier year Provision Written back	9,21,270	680,436
Deferred Tax Liabilities	(2643820)	(216,373)
Net Profit After Tax	20,98,24,742	104,486,793

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

The Company have earned a profit of Rs.20,98,24,742 during the current year as compared to profit of Rs 10,44,86,793/- 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 : Not applicable

4. SHARE CAPITAL AND AUTHORISED CAPITAL

A. AUTHORISED CAPITAL

The Authorized Capital of the Company is Rs.6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lacs only) equity shares of ₹10/- (Rupees Ten only) each.

B. PAID UP CAPITAL

The Paid up Capital of the Company is Rs.5,65,82,200 (Rupees Five Crore and Sixty Five Lacs Eighty Two Thousand and Two Hundred only) divided into 56,58,220 (Fifty Six Lacs Fifty Eight Thousand Two Hundred and Twenty) equity shares of Rs. 10/- (Rupees Ten only) each.

C. CHANGES IN SHARE CAPITAL, IF ANY

During the year under review, the Company has not allotted any shares.

D. TRANSFER OF SHARES DURING THE YEAR

Date of Transfer	Name of Transferor	Folio No. Of Transferor	Name of Transferee	Folio No. Of Transferee	Number of Shares
7.1.2022	T.P.Lodha & Sons (HUF)	29	Niraj Lodha	5	150000
7.1.2022	A.K.Lodha (HUF)	14	Navin Lodha	2	392100

5. TRANSFER TO RESERVES

The Company proposes to transfer a sum of Rs 28,81,02,192 to any Reserves during the financial year ended 31st March, 2022.

6. 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, 2022.

7. 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.

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

During the year 2021-22 the Company has not made any Rights Issue or Preferential Allotment of Securities.

9. 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.

10. 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, 2022.

11. 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.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has adhere to the provisions of section 186 of the Companies Act, 2013 in respect of loans, advances and investments which are duly accounted for & reflected in the audited financial statements (refer Note No. 18 to the “Notes to the Financial Statements”), which is self-explanatory.

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

All related party transactions that were entered into during the financial year ended 31stMarch,2022 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.

Your Directors draw attention of the members to (refer Note No 38 to the “Notes to Financial Statements”)

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is attached as **Annexure- I in the Form AOC-2.**

14. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Form MGT -9 attached as Annexure-II.**

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

During the FY 2021-22 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.

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16. 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 2022.

17. STATUTORY AUDITORS:

- In the Extra ordinary General Meeting held on May 23, 2022, M/S SANMARKS & ASSOCIATES Chartered Accountants, (Firm Registration No. 003343N) has been appointed as Statutory Auditors to fill up the casual vacancy caused due to resignation of M/s. MDT & Company, Chartered Accountants, and they shall hold office until the conclusion of the ensuing annual general meeting at the remuneration as determined by the board.”
- Pursuant to Section 139, 142 and any other applicable provisions of the Companies Act, 2013 ,if any, read with Companies (Audit and Auditors) Rules, 2014 including any statutory enactment or

modification thereof, M/s SS KOTHARI MEHTA & COMPANY, Chartered Accountant, (Firm Registration No. 00756N), has been appointed as Statutory Auditors of the Company (subject to approval of Shareholders in the ensuing general meeting) and will hold office from the conclusion of Annual General Meeting till the conclusion of 28th Annual General Meeting to be held in the year 2027.

- The Report given by SANMARKS & ASSOCIATES (Firm Registration No. 003343N), on the financial statement of the Company for the year 2021-22 is part of the Annual Report which is enclosed at Annexure-IV.

18. 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.

19. 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.

20. SECRETARIAL AUDIT

Secretarial Audit Report is not applicable to the Company.

21. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards as issued by the Institute of Company Secretaries of India and approved as such by the Central Government pursuant to Section 118(10) of the Companies Act, 2013. Your Directors confirm the compliance of the Secretarial Standards during the year under review.

22. COST AUDITOR

The Cost audit of the Company as required to be conducted for the financial year 2021-22 as per provisions of Section 148 of the Companies Act, 2013 has been conducted by M/s SUNNY CHHABRA & CO., Cost Accountants.

23. 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.

24. 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.

25. 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

26. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of the 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 fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.
- (v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Information on conservation of energy , Technology Absorption and Foreign exchange Earning and outgo stipulated under section 134(3)(m) of the companies Act 2013 read with 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.2,80,52,393/- and out go was Rs.1,172,686,035/- during the year.

28. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

➤ Presently the Board of Directors of the Company comprise of the following:

S. NO	Name	Designation
1.	Mr. Sanjay Lodha	Managing Director
2.	Mr. Vivek Lodha	Director
3.	Mr. Navin Lodha	Director
4.	Mr. Niraj Lodha	Director

In the Board Meeting held on 05.08.2021, Mr. Sanjay Lodha as Managing Director, Mr. Vivek Lodha, Mr. Navin Lodha and Mr. Niraj Lodha as whole Time Directors were reappointed for further tenure of 5 years by the Board of Directors.

29. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year 2021-22, the Board of Directors duly met 11 times as mentioned below:

No. of Meeting	Date Meeting
1.	May 03, 2021
2.	August 05,2021
3.	August 27, 2021
4.	August 28, 2021
5.	September 11, 2021
6.	September 15, 2021
7.	October 26, 2021
8.	November 30, 2021
9.	January 01, 2022
10.	February 24, 2022
11.	March 14, 2022

for which proper notices for meeting were given and the proceedings were properly recorded. 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. Details of attendances are as under.

***The number of meetings attended by the Directors during the FY 2021-22 is as follows:**

Name of the Directors	Number of meetings attended/total meetings held during the FY 2021-22	
	No. of Board Meetings held	No. of Board Meetings attended
Sanjay lodha	11	11
Vivek lodha	11	11
Navin lodha	11	11
Niraj lodha	11	11

30. 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.

31. 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 brief outline of the CSR Policy of the company and the initiatives undertaken by the Company on CSR Activities during the year are set out in Annexure of this report in the format as prescribed in the Company (CSR Policy) Rules 2014 as provided in **Annexure –III**.

32. 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.

33. 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.

34. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS UNSER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT

During the year under review, the Auditors have not reported any fraud, which are committed against the Company by officers or employees of the Company.

35. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2021-22, there was no application made and proceeding initiated / pending the Insolvency and Bankruptcy Code, 2016, by any financial and/or operational creditors against your Company. As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016

36. ACKNOWLEDGEMENT:

Your Directors acknowledges gratefully the shareholders for their continued support and confidence. Your Directors also wish to record their appreciation for the loyal and devoted services rendered by the staff of the Company during the year.

**Place: Faridabad
Date: 19/09/2022**

By order of Board of Directors

For Netweb Technologies India Private Ltd

Sd/-

**Sanjay Lodha
Managing Director
DIN:00461913**

Sd/-

**Navin Lodha
Whole Time
Director
DIN:00461924**

Annexure-I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto

- Details of contracts or arrangements or transactions not at arm's length basis **Not Applicable.**
- Details of material contracts or arrangement or transactions at arm's length basis for the yearended March 31, 2022 are as follows:-**NA**

Name of related Parties	Nature of relationship	Nature of Contract/ Arrangement/ Transaction	Duration of Contract	Salient terms of contracts or arrangements or transactions including the Values, if any	Date of approval by the Board	Amount paid in advance (if any)

Date: September 19,2022
Place: Faridabad

For and on behalf of Board of Director

- Sd/-
Sanjay Lodha
Director
DIN: 00461913
:

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on
March 31, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U72100HR1999PTC103911
2	Registration Date	22.09.1999
3	Name of the Company	Netweb Technologies India Private Limited
4	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Govt. Co.
5	Address of the Registered office and contact details	Plot No-H1, Pocket- 9, Faridabad Industrial Town(FIT) Sector- 57, Faridabad, Ballabgarh, State – Haryana-121004, India
6	Whether listed company	NO
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Server, HPC and Storage	26201	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

-

S.No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary /Associates	% of shares held	Applicable Section
1.	N.A	N.A	N.A	N.A	N.A

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i.) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
Promoter's (1)	-	5508220	5508220	100	-	5508220	5508220	100	-
Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.		150000	150000			150000	150000	100	
e) Banks / FI									
f) Any Other....									
Sub-total (A)(1):-									
(2) Foreign									
a) NRIs- Individuals									
b) Other- Individuals									
c) Bodies Corp.									
d) Banks / FI									

e) Any Other....									
Sub -total (A) (2): -									
Total shareholdingof Promoter (A) = (A)(1)+(A)(2)		5658220	5658220	100		5658220	5658220	100	100

B. Public Shareholding 1. Institutions a) Mutual Funds b) Banks / FI c) Central Govt. d) State Govt.(s) e) Venture Capital Funds f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify) Sub-total (B)(1):- 2. Non-Institutions a) Bodies Corp. i) Indian ii) Overseas									

b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh									
c) Others (Clearing member, HUF, Body Corporate)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	5658220	100	100	-	5658220	5658220	100	-

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			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.	Sanjay Lodha	25,38,710	44.87	0	2538710	44.87	0	0
2.	Navin Lodha	2,68,010	4.74	0	660110	11.67	0	6.93
3.	Vivek Lodha	4,98,900	8.82	0	4,98,900	8.82	0	0
4.	Niraj Lodha	3,08,900	5.46	0	458900	8.11	0	2.65
5.	Sanjay Lodh (HUF)	3,46,100	6.12	0	346100	6.12	0	0
6.	Navin Lodha (HUF)	2,60,100	4.60	0	260100	4.60	0	0
7.	R P Lodha & Sons (HUF)	3,03,100	5.36	0	303100	5.36	0	0
8.	A K Lodha & Sons (HUF)	3,92,100	6.93	0	0	0	0	-6.93%
9.	Niraj Lodha (HUF)	1,45,100	2.56	0	145100	2.56	0	0
10.	Vivek Lodha (HUF)	2,12,100	3.75	0	212100	3.75	0	0
11.	Sandeep Lodha(HUF)	85100	1.50	0	85100	1.50	0	0
12.	Ashoka Bajaj Automobiles Pvt Ltd	150000	2.65	0	150000	2.65	0	0

13.	T.P. Lodha & Sons	150000	2.65	0	0	0	0	-2.65%
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iii.) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.		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
1	At the beginning of the year	5658220	100	5658220	100
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	During the year there was transfer of shares			
3	At the End of the year	5658220	100	5658220	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.	Name of the Shareholders	Shareholding at the beginning of the year		Shareholding during end the year	
NIL					

v.) Shareholding of Directors and Key Managerial Personnel:

Name of Directors & KMP	Shareholding at Beginning of the year		Shareholding at the end of the year	
	No of shares	% of shareholding	No of shares	% of shareholding
Sanjay lodha	2538710	44.87	2538710	44.87
Vivek lodha	498900	8.82	498900	8.82
Niraj Lodha	308900	5.46	458900	8.11
Navin Lodha	268010	4.74	660110	11.67

V.INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in ‘000)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	1,53,737.73	1,37,525.26	-	2,91,263.68
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,53,737.73	1,37,525.26	-	2,91,263.68
Change in Indebtedness during the financial year				
• Addition	1,04,591.97	41,743.65	-	1,46,335.62
• Reduction	(41,057.73)	(60,696.51)	-	(1,01,754.24)
Net Change	63,534.24	(18,952.86)	-	44,581.38

Indebtedness at the end of the financial year				
i) Principal Amount	2,17,271.97	1,18,573.10	-	3,35,845.07
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due				
Total(i+ii+iii)	2,17,271.97	1,18,573.10	-	3,35,845.07

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No	Particulars of Remuneration	Name of Director				Total
		Sanjay Lodha	Vivek Lodha	Niraj Lodha	Navin Lodha	
1.	Gross salary	96,00,000	78,00,000	75,00,000	75,00,000	3,24,00,000
	(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	-			-	-
4.	Commission - as % of profit - Others, specify...	-			-	-
5.	Others, please specify 1. Sitting fee 2. Contribution to PF & other funds	-			-	-
	Total (A)	96,00,000	78,00,000	75,00,000	75,00,000	3,24,00,000

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total
1.	Independent Directors a) Fee for attending board / committee meetings b) Commission c) Others, please specify	-	-	-	-	-
	Total (1)					-
2.	Other Non-Executive Directors	-	-	-	-	-

	a) Fee for attending board / committee meetings	-				-
	b) Commission					
	c) Others, please specify					
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	KMP		
		Company Secretary	CFO	Total
1.	Gross salary			
	(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	-	-	-
4.	Commission – as % of	-	-	-

	profit – others, specify...			
5.	Other ,Please Specity Intt. on	-	-	-
	loan or Dividend on Shares	-	-	-
	Total	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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					

**Place: Faridabad
Date: 19/09/2022**

**And on behalf of Board of Director
Netweb Technologies India private Limited**

**Sanjay Lodha
Managing Director
DIN:00461913**

Annexure -III
Report on CSR Activities For FY 2021-22

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY.

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. COMPOSITION OF CSR COMMITTEE:

The CSR committee is consisting of following members:

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

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT). : NA

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY : Nil

6. 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:

Particulars	Amount Rs.
Net Profit before tax (as per section 198) of FY 18-19	38,887,370
Net Profit before tax (as per section 198) of FY 19-20	54,218,515
Net Profit before tax (as per section 198) of FY 20-21	14,39,50,856
Total (A)	23,70,56,741
Average of Net Profit of the preceding 3 Financial Years (B) =(A/3)	7,90,18,913.67
Prescribed CSR expenditure (2% of last three year profit before tax)(C)=(B*2%)	15,80,378.273

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 15,80,378**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year – **NIL**

(c) Amount required to be set off for the financial year, if any - **NIL**

(d) Total CSR obligation for the financial year (6a+6b-6c) - **Rs. 15,80,378**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
20,03,639*	-	-	Prime Minister Care Relief Fund	70,000	16-08-2022

*Includes Unspent CSR amount of Rs. 4,92,598 for the Financial Year ending March 31, 2021

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No./Date	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Several dates during 2021-22	Covid relief Programme - Oxygen Concentrator Distributed	Healthcare	Yes	Haryana	Faridabad	1 year	4,92,598	4,92,598	-	Yes	-	-
TOTAL							4,92,598					

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Covid Care	Promoting Health Care	Yes	Haryana	Faridabad	2,60,573	Yes	-	-
2	Covid Care	Promoting Health Care	Yes	Haryana	Faridabad	1,50,468	Yes	-	-
2.	Sri Aurobindo Divine Life Trust	Promoting Health Care	No	Punjab		4,00,000	No	Implementation Agency	CSR00025420
3.	Bharat Vikas Parisad Social Welfare Trust	Promoting Health Care	Yes	Haryana Faridabad		2,00,000	No	Implementation Agency	CSR00010000

4.	Maharaj Jagat Medical Relief Society	Promoting Health Care	No	Punjab	5,00,000	No		Implementation Agency	CSR00010195
Total					15,11,041				

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs. 20,03,639**

(g) Excess amount for set off, if any - **NIL**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	15,80,378
(ii)	Total amount spent for the Financial Year	20,03,369*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programme or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

***Includes Unspent CSR amount of Rs. 4,92,598 for the Financial Year ending March 31, 2021**

****Amount of Rs. 70,000 transferred to Prime Minister Care Relief Fund on 16.08.2022**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2020-21	4,92,598	4,92,598	-	-	-	-
	Total	4,92,598	4,92,598	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.

1	Covid Care	Promoting Health Care	2021-22	1 year	4,92,598	4,92,598	4,92,598	Completed
	Total				4,92,598	4,92,598	4,92,598	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year NA

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Company has spent Rs. 15,11,041 out of its total CSR Liability of Rs. 15,80,378 for the financial year 2021-22. However, the Company has failed to spend the remaining amount of Rs. 69,337 by the end of FY 2021-22 as Company hasn't found suitable project for the same which was duly deposited with in the provision of the Companies Act, 2013 in the Prime Minister care relief fund on 16.08.2022.

Sd/-
(Managing Director).

Sd/-
(Chairman CSR Committee).

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 2022, the Statement of Profit and Loss for the year then ended, Cash Flow Statement 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 2022, its profit and cash flow 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 Act. Our responsibilities under those Standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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 Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance 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 Companies (Accounting Standards) Rules, 2021. 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 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“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. (A) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021;

- e) on the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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”.

(B) 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:

- a) We are explained that the Company does not have any pending litigations which would impact its financial position in its financial statements.
 - b) We are explained that the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall,
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement.
- e) The Company has not declared or paid any dividend during the year.

(C) With respect to the matter to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, we report that the Company being a private company, Section 197 of the Act related to managerial remuneration is not applicable

For Sanmarks & Associates

Chartered Accountants

(Firm's Registration Number: 003343N)

Mahesh Kumar Kedia

(Partner)

Membership No. 072398

UDIN : 22072398ASCQ7F1946

Place: Faridabad

Date: 31st August 2022

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 2022, we report that:

- (i). (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, the property, plant and equipment 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 all immovable properties are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii). (a) The inventories were physically verified during the year by the Management at reasonable intervals. The coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. On the basis of information provided to us, quarterly returns or statements filed by the company with such banks are grossly in agreement with the books of account of the Company.
- (iii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Thus, clause 3(iii) of the Order is not applicable to the Company.
- (iv). According to the information and explanations given to us and the records of the Company examined by us, the Company neither granted loans nor made investments or provided guarantees covered under section 185 and 186 of the Act. Hence the provisions of clause 3(iv) of the Order are not applicable to it.

- (v). The company has not accepted any deposits from public covered under Section 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (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 generally 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, Goods and Service Tax and other statutory dues applicable to it. Further, there were no arrears of such undisputed dues as at 31st March 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2022 on account of disputes are given below:

(Rs. In lakhs)

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount involved
Income Tax Act, 1961	Income Tax	Assessing Officer	AY 2020-21	0.63
Delhi VAT Act, 2004	Sales Tax/ VAT	Taxation Officer	Apr 2017 – Jun 2017	5.64
Telangana Tax on Profession, Trade, Calling and Employment Act, 1987	Professional Tax	Taxation Officer	2017-18 to 2021-22	0.56

- (viii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix). (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company is not having any subsidiary, associate or joint venture, hence clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable.

- (x). (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi). (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanation given to us, no whistle blower complaint was received by the Company during the year.
- (xii). In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii). In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv). In our opinion and according to the information and explanations given to us, the provisions of Section 138 of the Companies Act, 2013 related to internal audit are not applicable to the Company. Accordingly, clauses 3(xiv)(a) and 3(xiv)(b) of the Order are not applicable.
- (xv). In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi). (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii). The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii). There has been resignation of the statutory auditors during the year. However previous auditor has not raised any issue, objection or concern.
- (xix). According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx). (a) In respect of other than ongoing projects, the Company has transferred unspent amount of Rs.0.69 lakhs to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) The Company is not having ongoing project. Hence, reporting under Clause 3(xx)(b) of the Order is not applicable.

For Sanmarks & Associates
Chartered Accountants
(Firm's Registration Number: 003343N)

Mahesh Kumar Kedia
(Partner)
Membership No. 072398

UDIN : 22072398ASCQ7F1946

Place: Faridabad
Date: 31st August 2022

Annexure B to the Auditor's report

Report on the Internal Financial Controls Over Financial reporting 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 2022 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 2022, 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 Sanmarks & Associates

Chartered Accountants

(Firm's Registration Number: 003343N)

Mahesh Kumar Kedia

(Partner)

Membership No. 072398

UDIN : 22072398ASCQ7F1946

Place: Faridabad

Date: 31st August 2022

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
BALANCE-SHEET AS AT 31ST MARCH 2022

(Rs. In Lakhs)

Particulars	Note	2021-22	2020-21
<u>I. EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
(a) Share Capital	2	565.82	565.82
(b) Reserves and Surplus	3	4,042.21	1,943.96
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	1,445.89	1,441.50
(b) Long - Term Provision	5	113.93	0.00
(3) Current Liabilities			
(a) Short-Term Borrowings	6	1,912.56	1,471.13
(b) Trade Payables due to	7		
- Micro and Small enterprises		-	-
- Other than micro and small enterprises		4,291.09	4,095.56
(c) Other current liabilities	8	853.08	981.10
(d) Short Term Provisions	9	615.35	307.44
Total		13,839.93	10,806.51
<u>II. ASSETS</u>			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	10	885.92	536.14
(ii) Intangible assets	11	73.05	0.00
(iii) Capital work-in-progress	12	52.23	0.00
(b) Deferred Tax Assets (net)	13	47.22	20.78
(c) Other non-current assets	14	44.83	32.28
(2) Current assets			
(a) Inventories	15	2,328.12	1,435.57
(b) Trade Receivables	16	8,374.96	7,162.69
(c) Cash and Cash Equivalents	17	839.31	770.63
(d) Short-term Loans and Advances	18	1,194.29	848.42
Total		13,839.93	10,806.51

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 SANMARKS & ASSOCIATES

Chartered Accountants

(Reg No 003343N)

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

Sd/-
Mahesh Kumar Kedia
Partner
M No 072398

Sd/-
[Director]
Sanjay Lodha
DIN - 00461913

Sd/-
[Director]
Vivek Lodha
DIN - 00461917

Place : Faridabad
Date : 31st August 2022

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. In Lakhs)

Particulars	Note	2021-22	2020-21
Revenue from Operations	19	23,767.82	15,798.54
Other Income	20	99.56	102.07
Total Revenue (I)		23,867.38	15,900.61
Expenses:			
Cost of Raw Material Consumed	21	17,810.03	11,859.18
Changes in inventories of finished goods	22	20.47	-19.77
Employee Benefit Expenses	23	1,614.66	1,242.17
Finance costs	24	289.45	285.06
Depreciation & Amortization expenses	25	115.50	99.26
Other Expenses	26	1,136.25	995.21
Total Expenses (II)		20,986.36	14,461.11
Profit before tax (I-II)		2,881.02	1,439.50
Tax Expenses:			
Current tax		800.00	390.00
Prior period tax		9.21	6.80
Deferred Tax charge (benefit)		-26.44	-2.17
Total tax expense		782.77	394.63
Profit for the year		2,098.25	1,044.87
Earning per share (Face Value Rs. 10 each)			
- Basic & diluted (Rs.)	27	37.08	18.47

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 SANMARKS & ASSOCIATES

Chartered Accountants

(Reg No 003343N)

For and on behalf of the board of directors of

Netweb Technologies (India) Private Limited

Sd/-
Mahesh Kumar Kedia
 Partner
 M No 072398

Sd/-
 [Director]
 Sanjay Lodha
 DIN - 00461913

Sd/-
 [Director]
 Vivek Lodha
 DIN - 00461917

Place : Faridabad

Date : 31st August 2022

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. In Lakhs)

Particulars	Note	2021-22	2020-21
<u>CASH FLOW FROM OPERATING ACTIVITIES :</u>			
Net Profit Before Tax		2,881.02	1,439.51
<u>Non- Cash Items</u>			
Add: Depreciation		115.50	99.26
Less: Interest on fixed deposit		(29.43)	(21.60)
Less: Profit on sale of fixed assets		(0.39)	-
Add: Interest on Loans		228.74	206.84
Operating Profit Before Working Capital Changes		3,195.44	1,724.01
<u>Changes in working capital</u>			
(Increase) /decrease in Inventories		(892.55)	(454.66)
(Increase) /decrease in Trade Receivables		(1,212.27)	(5,344.13)
(Increase) /decrease in Loans & Advances		(358.42)	(54.79)
Increase /(decrease) in Trade Payables		195.53	2,579.64
Increase /(decrease) in long term liabilities		128.20	-
Increase /(decrease) in Other current liabilities		(178.37)	572.89
Cash generated from operations		877.56	(977.04)
Less: Tax paid		(515.57)	(119.81)
Net cash from operating activities (A)		361.99	(1,096.85)
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>			
Purchase of Fixed Assets		(540.73)	(159.66)
Sale of fixed asset		0.91	-
Interest received on fixed deposit		29.43	21.60
Investment in fixed deposit		(68.49)	(106.11)
Net cash (used in) investing activities (B)		(578.88)	(244.17)
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>			
Proceeds (repayment) from short term borrowings		489.20	1,145.00
Proceeds (repayment) from term loans		37.67	(72.57)
Proceeds (repayment) from other long term borrowings		(81.05)	478.03
Interest paid on loans		(228.74)	(206.84)
Net cash from/ (used in) financing activities (C)		217.08	1,343.62
Net increase in cash and cash equivalents (A+B+C)		0.19	2.60
Cash and cash equivalents at beginning of the year		202.40	199.80
Cash and cash equivalents at end of the year	17	202.59	202.40

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

As per our report of even date

For SANMARKS & ASSOCIATES

Chartered Accountants
(Reg No 003343N)

Sd/-
Mahesh Kumar Kedia
Partner
M No 072398

Place : Faridabad
Date : 31st August 2022

For and on behalf of the board of directors of

Netweb Technologies (India) Private Limited

Sd/-
[Director]
Sanjay Lodha
DIN - 00461913

Sd/-
[Director]
Vivek Lodha
DIN - 00461917

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

Notes to the financial statements for the year ended 31 March 2022

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 Companies (Accounting Standards) Rules, 2021.

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 2022

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 2022

- 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.

l. Post-Employment Benefit - Gratuity

Gratuity is applicable to all permanent and full-time employees of the company. Gratuity paid out is based on last drawn basic salary at the time of termination or retirement. The scheme takes into account each completed year of services or part thereof in excess of six months.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE-2 :SHARE CAPITAL

A. Statement of Share Capital :- (Rs. In Lakhs)

Share Capital	2021-22		2020-21	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity Shares of Rs.10 each	6,000,000	600.00	6,000,000	600.00
Issued, Subscribed & fully Paid up				
Equity Shares of Rs.10 each	5,658,220	565.82	5,658,220	565.82
	5,658,220	565.82	5,658,220	565.82

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

(Rs. In Lakhs)

Particulars	Equity shares			
	2021-22		2020-21	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	5,658,220	565.82	5,658,220	565.82
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,658,220	565.82	5,658,220	565.82

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

Name of Shareholder	2021-22		2020-21	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs.10 each, fully paid up				
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%
4 Sanjay Lodha (HUF)	346,100	6.12%	346,100	6.12%
5 Niraj Lodha	458,900	8.11%	308,900	5.46%
6 R P Lodha & Sons (HUF)	303,100	5.36%	303,100	5.36%
7 Navin Lodha	660,110	11.67%	268,010	4.74%

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.

F. Details of shareholding of promoters

S No	Promoter Name	As At 31st March, 2022		
		No of shares	% of total shares	% change during the year
1	Sanjay Lodha	2,538,710	44.87%	-
2	Vivek Lodha	498,900	8.82%	-
3	Niraj Lodha	458,900	8.11%	2.65%
4	Navin Lodha	660,110	11.67%	6.93%

S No	Promoter Name	As At 31st March, 2021		
		No of shares	% of total shares	% change during the year
1	Sanjay Lodha	2,538,710	44.87%	-
2	Vivek Lodha	498,900	8.82%	-
3	Niraj Lodha	308,900	5.46%	-
4	Navin Lodha	268,010	4.74%	-

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

<u>NOTE-3 :RESERVE AND SURPLUS</u>	<u>2021-22</u>	(Rs. In Lakhs) <u>2020-21</u>
Securities Premium	79.92	79.92
Surplus in the statement of profit and loss		
Opening balance	1,864.04	819.17
(+) Net Profit for the current year	2,098.25	1,044.87
Closing Balance	3,962.29	1,864.04
Total Reserve & Surplus	4,042.21	1,943.96

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE-4 : LONG TERM BORROWINGS

	(Rs. In Lakhs)			
	Non current portion		Current portion	
	2021-22	2020-21	2021-22	2020-21
Term Loan				
Term Loan from banks, secured	253.08	94.07	18.98	40.91
Vehicle Loans from banks & FI, secured	82.48	83.86	33.98	23.54
Term loan from banks & FI, unsecured	-	72.19	75.40	111.69
Other loans				
Loan from directors and relatives, unsecured	286.67	410.04	-	-
Inter corporate loans, unsecured	823.66	781.34	-	-
	1,445.89	1,441.50	128.36	176.14
Amount disclosed under the head "short-term borrowings" - (refer note 6)	-	-	(128.36)	(176.14)
Net amount	1,445.89	1,441.50	-	-

(a) Term Loan from bank are covered under GECLS Scheme. They are secured against hypothecation of assets as primary security and second charge over current and fixed assets of the Company along with Working capital limits as collateral security. Further there is 100% guarantee cover on the outstanding amount by NCGTC for the credit facility under "Emergency credit line guarantee scheme". These loans are also guaranteed by the directors of the Company.

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

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

(d) As on 31st March 2022, there are no creation of charges or satisfaction of charges yet to be registered with ROC beyond the statutory period except for vehicle loans.

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

Category of loan	Payment terms	Rate of interest (%)	Amount of instalment (Rs. in Lakhs)
Term Loan from bank, secured	Monthly	7.50%	8.02
Vehicle Loans, secured	Monthly	7.35% - 9.00%	3.69
Term loan from Banks & FI, unsecured	Monthly	16.50% - 17.00%	9.67

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE-5 : LONG TERM PROVISION	2021-22	(Rs. In Lakhs) 2020-21
Provision for Employee Benefit		
Provision for gratuity	113.93	-
TOTAL	113.93	-

NOTE-6 : SHORT TERM BORROWINGS	2021-22	(Rs. In Lakhs) 2020-21
Cash Credit limit from Bank, secured	1,784.20	1,294.99
Current Maturity of long term borrowings (Refer Note 4)	128.36	176.14
TOTAL	1,912.56	1,471.13

Cash Credit (CC) 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 (+) 4%. Further there is adhoc limit of Rs. 5 crore which carries interest rate of 2% over interest rate of CC Limit.

The quarterly returns or statements filed by the Company for working capital limits with such banks are grossly in agreement with the books of accounts of the Company.

NOTE-7 : TRADE PAYABLES	2021-22	(Rs. In Lakhs) 2020-21
Trade Payables due to		
Micro and small enterprises	-	-
Other than micro and small enterprises	4,291.09	4,095.56
TOTAL	4,291.09	4,095.56

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

NOTE-8 : OTHER CURRENT LIABILITIES	2021-22	(Rs. In Lakhs) 2020-21
Salary and Wages payable	219.11	239.32
Creditor for capital goods	50.34	-
Expenses Payable	183.75	398.00
Advance from Customers	260.80	229.51
Statutory Dues	139.08	114.27
TOTAL	853.08	981.10

NOTE-9 : SHORT TERM PROVISIONS	2021-22	(Rs. In Lakhs) 2020-21
Provision for Employee Benefit		
Provision for gratuity	14.26	-
Provision for Tax		
During the year	800.00	390.00
Less: Advance Tax	135.00	50.00
Less: TDS/ TCS deducted	63.91	32.56
TOTAL	601.09	307.44
TOTAL	615.35	307.44

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

10. Property, plant and equipment	(Rs. In Lakhs)								
	Land*	Buildings*	Furniture and fixtures	Plant and equipment	Office equipments	Electrical fittings	Computer	Vehicles	Total
Cost or valuation									
As at 1 April 2020	67.13	151.98	126.14	123.39	17.81	59.58	117.43	220.55	884.01
Additions	75.56	12.03	3.89	0.53	7.48	0.30	15.20	44.66	159.65
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2021	142.69	164.01	130.03	123.92	25.29	59.88	132.63	265.21	1,043.66
Additions	-	3.58	7.98	354.77	11.60	-	31.31	45.59	454.83
Disposals	-	-	-	-	2.88	-	-	5.29	8.17
As at 31 March 2022	142.69	167.59	138.01	478.69	34.01	59.88	163.94	305.51	1,490.32
Depreciation									
As at 1 April 2020	-	23.51	74.02	83.24	13.41	39.08	85.63	89.37	408.26
Charge for the year	-	6.32	14.15	11.62	3.45	5.34	17.20	41.18	99.26
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	29.83	88.17	94.86	16.86	44.42	102.83	130.55	507.52
Charge for the year	-	6.61	11.33	11.23	4.90	4.00	22.60	43.88	104.55
Disposals	-	-	-	-	2.64	-	-	5.03	7.67
As at 31 March 2022	-	36.44	99.50	106.09	19.12	48.42	125.43	169.40	604.40
Net block									
As at 31 March 2021	142.69	134.18	41.86	29.06	8.43	15.46	29.80	134.66	536.14
As at 31 March 2022	142.69	131.15	38.51	372.60	14.89	11.46	38.51	136.11	885.92

* Title deeds of immovable property are held in the name of the Company.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022****11. Intangible assets**

	(Rs. In Lakhs)	
	Computer Software	Total
Cost or valuation		
As at 1 April 2020	-	-
Additions	-	-
Disposals	-	-
As at 31 March 2021	-	-
Additions	84.00	84.00
Disposals	-	-
As at 31 March 2022	84.00	84.00
Depreciation		
As at 1 April 2020	-	-
Charge for the year	-	-
Disposals	-	-
As at 31 March 2021	-	-
Charge for the year	10.95	10.95
Disposals	-	-
As at 31 March 2022	10.95	10.95
Net block		
As at 31 March 2021	-	-
As at 31 March 2022	73.05	73.05

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

12. Capital work-in-progress**(Rs. In Lakhs)***CWIP ageing schedule***As at 31st March 2022**

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<i>Projects in progress</i>					
- Building under construction	52.23	-	-	-	52.23
<i>Projects temporarily suspended</i>	-	-	-	-	-

As at 31st March 2021

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<i>Projects in progress</i>					
- Building under construction	-	-	-	-	-
<i>Projects temporarily suspended</i>	-	-	-	-	-

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE-13 : DEFERRED TAX ASSETS (Net)	2021-22	(Rs. In Lakhs) 2020-21
Opening Difference	82.54	73.95
Addition		
Extra Depreciation in books	-	7.44
Professional tax not paid	-	1.15
Gratuity not paid	128.20	-
Deletion		
Extra Depreciation in Income Tax	21.61	-
Other Adjustments	1.55	-
Closing Difference	187.58	82.54
Rate	25.17%	25.17%
Deferred Tax Asset	47.22	20.78
Less: Deferred Tax asset of the previous year	20.78	18.61
Deferred Tax benefit (Expense)	26.44	2.17

NOTE-14 : OTHER NON-CURRENT ASSETS	2021-22	(Rs. In Lakhs) 2020-21
<u>Security Deposits</u>		
Unsecured, considered good	44.83	32.28
TOTAL	44.83	32.28

NOTE-15: INVENTORIES (Valued at lower of cost and Net Realizable Value)	2021-22	(Rs. In Lakhs) 2020-21
Raw Materials	2,118.33	1,205.31
Finished Goods	209.79	230.26
TOTAL	2,328.12	1,435.57

NOTE-16: TRADE RECEIVABLES	2021-22	(Rs. In Lakhs) 2020-21
Unsecured, considered good	8,374.96	7,162.69
TOTAL	8,374.96	7,162.69

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

<u>NOTE-17: CASH & BANK BALANCES</u>	<u>2021-22</u>	<u>(Rs. In Lakhs)</u> <u>2020-21</u>
Cash and Cash Equivalents		
Cash in hand	27.83	15.08
Balances with banks	174.76	187.32
Other bank balances		
Fixed deposit pledged with bank as Margin Money and Collateral Security (original maturity more than 3 months)	636.72	568.23
TOTAL	<u>839.31</u>	<u>770.63</u>

NOTE-18 :SHORT TERM LOANS & ADVANCES	2021-22	(Rs. In Lakhs) 2020-21
(Unsecured, considered good)		
(a) Earnest Money Deposit	61.91	80.12
(b) Retention Money	183.82	145.53
(c) Others Loans & Advances	203.99	69.19
(d) Balance with Government Authorities		
Revenue Authority	1.00	1.00
GST Credit	534.56	391.25
GST Paid under RCM	0.79	0.19
GST Refund Claim	208.22	161.14
TOTAL	1,194.29	848.42
Note - Other loan & advances		
Advance to vendors	123.17	17.62
Advance to Staff	45.68	31.65
Prepaid Expenses	20.58	18.64
Balance with financial institutions	14.56	1.28
	203.99	69.19

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	<u>2021-22</u>	<u>2020-21</u>
(Rs. In Lakhs)		
<u>NOTE-19 :REVENUE FROM OPERATIONS</u>		
A. Sale of Products	23,078.46	15,513.29
B. Service income including AMC and software	689.36	285.25
TOTAL	<u>23,767.82</u>	<u>15,798.54</u>

	<u>2021-22</u>	<u>2020-21</u>
(Rs. In Lakhs)		
<u>NOTE 20: OTHER INCOME</u>		
Interest Income on FDR	29.43	21.60
Miscellaneous Income	0.17	0.08
Dollar Rate Fluctuation	35.22	28.84
Sundry Balance W/O	34.35	51.55
Profit on Sale of Fixed Assets	0.39	-
TOTAL	<u>99.56</u>	<u>102.07</u>

	<u>2021-22</u>	<u>2020-21</u>
(Rs. In Lakhs)		
<u>NOTE 21 :COST OF RAW MATERIAL CONSUMED</u>		
Opening Stock of Raw Materials	1,205.31	770.42
Add: Purchases of raw material	18,332.96	11,984.78
Add :Direct Expenses (Material)	390.09	309.29
	<u>19,928.36</u>	<u>13,064.49</u>
Less: Closing Stock of Raw Materials	2,118.33	1,205.31
Cost of Raw Material Consumed	<u>17,810.03</u>	<u>11,859.18</u>
<u>Direct Expenses (Material)</u>		
Custom Clearing Charges	21.46	22.21
Custom Duty	79.70	56.09
Demurrage Charges	-	0.14
Handling Charges	0.01	0.05
Import Clearing Charges	7.41	5.49
Inward Freight Charges	271.45	221.65

Loading & Unloading Charges	0.09	0.16
Labour Charges	8.24	3.30
Warehouse Charges	1.73	0.20
	<u>390.09</u>	<u>309.29</u>

	<u>2021-22</u>	<u>(Rs. In Lakhs)</u> <u>2020-21</u>
NOTE 22: CHANGES IN INVENTORIES		
Opening stock of Finished Goods	230.26	210.49
Less: Closing stock of Finished Goods	209.79	230.26
TOTAL	<u>20.47</u>	<u>(19.77)</u>

	<u>2021-22</u>	<u>(Rs. In Lakhs)</u> <u>2020-21</u>
NOTE-23: EMPLOYEE BENEFIT EXPENSES:		
Salaries and wages	905.68	691.43
Contribution to provident and other funds	3.26	3.90
Bonus and incentive	226.97	197.02
Gratuity [including present value of obligation as at 31st March 2021 of Rs.103.44 lakhs (PY Nil)]	128.20	-
Staff Welfare Expenses	17.06	14.50
Insurance for Employees	9.49	5.32
Sub Total	<u>1,290.66</u>	<u>912.17</u>
Director's Remuneration	324.00	330.00
TOTAL	<u>1,614.66</u>	<u>1,242.17</u>

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE-24: FINANCE COST	2021-22	(Rs. In Lakhs) 2020-21
Bank charges	60.72	78.22
<u>Interests Expenses on:</u>		
Unsecured Loans	142.00	133.79
Cash Credit	69.07	53.75
Term Loan	17.66	19.30
TOTAL	289.45	285.06

NOTE-25: DEPRECIATION EXPENSE	2021-22	(Rs. In Lakhs) 2020-21
Depreciation of Tangible Assets	104.55	99.26
Amortization of Intangible assets	10.95	-
	115.50	99.26

NOTE-26 :OTHER EXPENSES	2021-22	(Rs. In Lakhs) 2020-21
<u>Direct Expenses</u>		
Electricity Charges	20.17	25.21
Technical Service Charges	0.81	162.06
Sub Total	20.98	187.27
<u>Indirect Expenses</u>		
Annual Maintenance	15.38	14.86
Business Promotion	58.39	26.22
Car Hire Charges	9.86	14.64
Customer Support Expenses	40.07	8.84
Discount	0.66	0.20

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

27. Earnings per Share (EPS)

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

		<u>2021-22</u>	<u>2020-21</u>
Profits available for equity shareholders for calculation of earnings per share (Rs. In lakhs)	(A)	2,098.25	1,044.87
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)	37.08	18.47
Diluted earnings per share (Rs)	(A/B)	37.08	18.47

28. 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.

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

	<u>2021-22</u>	<u>2020-21</u>
Raw Material	11,984.22	9,030.12
Capital Goods*	310.51	-
	<u>12,294.73</u>	<u>9,030.12</u>

*Purchase from SEZ unit but payment in foreign currency

30. Income in foreign currency during the year

	<u>2021-22</u>	<u>2020-21</u>
Service income	280.52	-
	<u>280.52</u>	<u>-</u>

31. Value of Raw materials consumed during the year

	<u>2021-22</u>		<u>2020-21</u>	
	Percentage	Amount	Percentage	Amount
Raw Material				
- Imported	63%	11,220.26	76%	9,030.12
- Indigenous	37%	6,589.77	24%	2,829.07
Total	100%	17,810.03	100%	11,859.19

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

32. Contingent Liability and commitments (to the extent not provided for)

(Rs. In Lakhs)

(a) Claims against the company not acknowledged as debt

1. Income Tax Demand of Rs.0.63 lakhs (PY NIL) for AY 2020-21 by intimation u/s 143(1) of Income Tax Act,1961.
2. Demand under Delhi VAT of Rs.5.64 lakhs (PY NIL) for April 2017 to June 2017 due to non-submission of statutory forms under Delhi VAT Act, 2004.
3. Demand for non-payment of professional tax of Rs.0.56 lakhs (PY NIL) for 2017-18 to 2021-22 under Telangana Tax on Profession, Trade, Calling and Employment Act, 1987.
4. Warranty support expense not known, hence not quantified

(b) Guarantees excluding financial guarantees

The Company has given counter gurantee to bank of Rs.3,097.23 lakhs (PY - Rs.2,523.07 lakhs) in respect of bank gaurantee issued to various customers on behalf of the Company.

(c) Capital commitments not provided for (net of advances)

The Company has committed to spend Rs.125.75 lakhs (PY NIL) under agreement for construction of building.

33. 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

	2021-22	2020-21
(a) Gross amount required to be spent by the Company	15.80	6.93
(b) Detail of amount spent during the financial year		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than mentioned in (i) above	20.04	2.00
(c) Total of previous year shortfall	4.93	-
(d) Shortfall at the end of the year	0.69	4.93
(e) Reason for shortfall		

The Company has transferred unspent amount to a fund specified in Schedule VII of Companies Act, 2013.

34. Detail of unhedged foreign currency exposure

(Figures in lakhs)

Particulars	31 March 2022		31 March 2021	
	Foreign Currency	INR	Foreign Currency	INR
Trade Payable	USD 24.88	1,888.68	USD 33.33	2,454.68
Creditor for capital goods	USD 0.20	16.22	-	-
Creditor for capital goods	JPY 2.38	18.58	-	-
Advance to vendors	USD 1.37	103.76	-	-

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

35. Ageing of trade payables and trade receivables

Trade Payables due for payment

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment as at 31st March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	4,291.09	-	-	-	4,291.09
(iii) Disputed dues— MSME	-	-	-	-	-
(iv) Disputed dues— Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment as at 31st March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	4,062.29	-	33.27	-	4,095.56
(iii) Disputed dues— MSME	-	-	-	-	-
(iv) Disputed dues— Others	-	-	-	-	-

Trade receivables outstanding

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment as at 31st March 22					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	7,806.27	434.67	77.12	18.20	38.70	8,374.96
(ii) Undisputed trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment as at 31st March 21					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	6,767.16	214.34	117.40	50.16	13.64	7,162.69
(ii) Undisputed trade receivables - considered doubtful	-	-	-	-	-	-

(iii) Disputed trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

36. Financial Ratios

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for Variance / REMARKS \$
Current ratio (in times)	Current Assets	Current Liabilities	1.66	1.49	11.41%	NA
Debt Equity Ratio (in times)	Total Debts	Share holders Equity	0.73	1.16	-37.07%	Debt equity ratio has decreased because of profits of current year resulting in 84% increase in equity.
Debt Service Coverage Ratio (DSCR) (times)	Earning available for Debt Service	Debt Service	7.02	3.58	96.09%	DSCR has increased because of profits of current year resulting in 80% increase in earnings available for debt service.
Return on equity ratio (in %)	Profit for the year	Average total equity	58.96%	52.58%	12.13%	NA
Inventory turnover ratio (times)	Sale of products	Average Inventory	12.26	12.84	-4.48%	NA
Trade Receivables turnover ratio (times)	Revenue from Operation	Average Accounts receivable	3.06	3.46	-11.56%	NA
Trade payables turnover ratio (times)	Net Purchase	Average Trade Payable	4.37	4.27	2.34%	NA
Net capital turnover ratio (times)	Revenue from Operation	Average Working Capital (i.e. current assets less Current Liabilities)	5.64	5.90	-4.41%	NA
Net profit ratio (in %)	Profit for the year	Revenue from the Operation	8.83%	6.61%	33.59%	There is 50% increase in revenue from operations but 100% increase in net profit, hence net profit ratio has improved.
Return on Capital employed (in %)	Earning before Interest and Tax (EBIT)	Capital Employed [Tangible Net Worth + Total Debt]	39.80%	31.80%	25.16%	Return on capital employed has increased because of profits of current year resulting in 84% increase in EBIT.
Return on investment ^	Net Return on Investment	Cost of Investment	NA	NA		NA

\$ Reason for variance provided in cases where variance is more than 25%

^ The company has not made any investment other than fixed deposits held as margin money, hence this ratio is not calculated.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

37. Defined benefit obligation - Gratuity

Defined benefit plans include gratuity for employees. The Company operates an unfunded gratuity plan. Amount recognised in the statement of profit and loss in respect of defined benefit plans is as follows -

Particulars	(Rs. In Lakhs)	
	2021-22	2020-21
I Change in present value of obligation:		
Present value of obligation as at the beginning of the period*	103.43	-
Interest cost	7.03	-
Current service cost	27.24	-
Past service cost	-	-
Benefit paid	-	-
Actual (gain) / loss on obligation	(9.51)	-
Present value of obligation as at the end of the period	128.19	-
II Expense recognized in the Statement of Profit & Loss:		
Current service cost	27.24	-
Past service cost	-	-
Interest cost	7.03	-
Net actuarial (gain) / loss recognized during the period	(9.51)	-
Present value of obligation as at the beginning of the period	103.43	-
Expenses recognized in the Statement of Profit & Loss	128.19	-
III Reco. statement of expense in the Statement of Profit & Loss:		
Present value of obligation as at the end of the period	128.19	-
Present value of obligation as at the beginning of the period	-	-
Benefit Paid	-	-
Expenses recognized in the Statement of Profit & Loss	128.19	-
IV Movements in the liability recognized in the Balance Sheet		
Opening net liability	-	-
Expenses as above	128.19	-
Benefits paid	-	-
Closing net liability	128.19	-
V Principal assumptions for valuation		
Interest Rate for Discounting:	6.80%	-
Salary increase rate	10.00%	-
Retirement age	60 years	-
Mortality Rate	IALM Ult 2012-14	-

* Present value of obligation as at the beginning of the period was not be recognised in the previous year financial statements, hence there effect has been taken in the financial statements for the current year only.

Gratuity is unfunded obligation and accordingly, disclosure with respect to the plan assets are not applicable.

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

38. Related party Disclosure**(Rs. In Lakhs)****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 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	31.03.2022	20.88	-	6.97	64.67
Sanjay Lodha	31.03.2021	11.20	-	3.08	37.53
Navin Lodha	31.03.2022	-	25.81	0.46	-
Navin Lodha	31.03.2021	24.00	10.47	1.38	25.40
Niraj Lodha	31.03.2022	-	10.00	6.27	49.23
Niraj Lodha	31.03.2021	29.00	0.68	3.13	53.59
Vivek Lodha	31.03.2022	-	10.00	4.76	35.24
Vivek Lodha	31.03.2021	29.00	1.02	1.80	40.96
A.K.Lodha & Sons	31.03.2022	-	5.42	0.40	-
A.K.Lodha & Sons	31.03.2021	-	-	0.55	5.06
Anuja Lodha	31.03.2022	-	0.37	1.80	16.31
Anuja Lodha	31.03.2021	6.00	0.53	1.15	15.07
Madhuri Lodha	31.03.2022	-	-	0.51	4.73
Madhuri Lodha	31.03.2021	-	-	0.46	4.27
Navin Lodha (HUF)	31.03.2022	-	9.29	0.95	-
Navin Lodha (HUF)	31.03.2021	-	-	0.91	8.43
Niraj Lodha (HUF)	31.03.2022	-	18.60	1.92	-
Niraj Lodha (HUF)	31.03.2022	-	-	1.82	16.87
Nisha Lodha	31.03.2022	-	0.40	3.10	28.38
Nisha Lodha	31.03.2022	5.00	-	2.34	25.98
Priti Lodha	31.03.2022	-	0.76	4.17	37.91
Priti Lodha	31.03.2021	8.00	-	3.03	34.92
R P Lodha & Sons	31.03.2022	-	26.10	2.77	-
R P Lodha & Sons	31.03.2021	-	-	2.54	23.60
Rudra Prasad Lodha	31.03.2022	-	18.98	-	-
Rudra Prasad Lodha	31.03.2021	-	-	-	18.98
Sandeep Lodha (HUF)	31.03.2022	-	20.53	2.18	-
Sandeep Lodha (HUF)	31.03.2021	-	-	2.01	18.57
Sanjay Lodha (HUF)	31.03.2022	-	4.96	0.51	-
Sanjay Lodha (HUF)	31.03.2021	-	-	0.49	4.50
Sweta Lodha	31.03.2022	-	20.07	1.38	9.37

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022**

Sweta Lodha	31.03.2021	26.00	22.50	2.36	28.19
Vivek Lodha (HUF)	31.03.2022	-	12.36	1.23	-
Vivek Lodha (HUF)	31.03.2021	-	-	1.21	11.24
Ashoka Bajaj (P) Ltd	31.03.2022	-	-	3.70	40.30
Ashoka Bajaj (P) Ltd	31.03.2021	-	1.05	3.43	36.97

NETWEB TECHNOLOGIES (INDIA) PVT. LTD.NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

b. Remuneration

	<u>31.03.2022</u>	<u>31.03.2021</u>
Sanjay Lodha	96.00	102.00
Navin Lodha	75.00	75.00
Niraj Lodha	75.00	75.00
Vivek Lodha	78.00	78.00

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

40 Previous year financial statements have been audited by a firm of Chartered Accountants other than M/s Sanmarks & Associates.

As per our report of even date

For Sanmarks & Associates
Chartered Accountants
(Reg No 003343N)

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

Mahesh Kumar Kedia
Partner
M No 072398

[Director]
Sanjay Lodha
DIN - 00461913

[Director]
Vivek Lodha
DIN - 00461917

Place : Faridabad
Date : 31st August 2021

