

JAIN SUBHASH CHAND & CO.

CHARTERED ACCOUNTANTS

H.O. : 8/122, Sector-3, Rajendra Nagar, Sahibabad, Ghaziabad, U.P. - 201 005.

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Ref. :

Date :

Independent Auditor's Report

To the Members of M/s Sungarner Energies Private Limited.

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. Sungarner Energies Private Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Cash Flow Statement for the year ended and notes to the financial statements, including a summary of significant accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit & Loss for the year ended on that date.

Basis for Opinion

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial

performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

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 implementation and maintenance of 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 statement 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 is responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone 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 user taken on the basis of these financial statements

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

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

whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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


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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of section 143 (1) of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. This report does not include a statement with respect to the adequacy of the internal financial controls over financial reporting, since in our opinion and according to the information and explanation given to us section 143(3) of the Companies Act, 2013 is not applicable to the company.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the act, as amended, In our opinion and to the best of our information and according to the explanation given to us, the company being a private company, section 197 of the act related to the managerial remuneration is not applicable.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Jain Subhash Chand & Co.
Chartered Accountants
FRN 006490C


CA Subhash Chand Jain
Partner
M. No. 070517



Place: Ghaziabad
Date: 20/10/2021

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

1.

- (a) The company has maintained proper records showing full particulars, including quantities details and situation of fixed assets.
- (b) As explained to us, the company has regular programs of physical verification of its fixed assets by which Fixed Assets are verified in phased manner over a period of three years and in accordance with these programs, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and Nature of its assets;
- (c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deeds of immovable property are held in the name of the company.

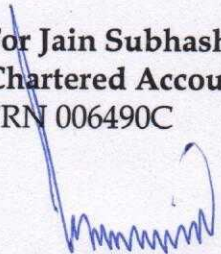
2.

- (a) The inventories except goods in transit in the custody of the company have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable
 - (b) There was no material discrepancies noticed on the physical verification of the inventory as compared to inventory records.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered on the Register maintained under section 189 of the Act. Accordingly, provision of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted deposits from public during the year and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provision of the Act and Companies (Acceptance and deposit) Rules, 2014 with regards to the deposit accepted from the public are not applicable.

6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7.
 - (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities
 - (b) According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) According to the information & explanations given to us, there are no dues of Income Tax, Goods and Service Tax, Sales Tax, Value Added Tax and Custom duty and Cess outstanding on account of any dispute.
8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of loans and borrowing to any financial institution or banks as at the balance sheet date. The company has not taken loan from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanation given to us by the management, Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the company has applied the Term Loans for the purpose for which the loans were raised.
10. Based upon the audit procedure performed and the information and explanations given to us, we report that no material fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. As the company is not public limited and is earning profit, the limits mentioned under section 197 read with schedule V of the companies Act 2013 is not applicable to the company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of records of the Company, all transaction with related party are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.
15. In our opinion and according to the information and explanations given to us, during the year 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 and hence not commented upon.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Jain Subhash Chand & Co.
Chartered Accountants
FRN 006490C


CA Subhash Chand Jain
Partner
M. No. 070517



Place: Ghaziabad
Date: 20/10/2021

SUNGARNER ENERGIES PRIVATE LIMITED

Cabin No. 04, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar
New Delhi - 110092
CIN: U34100DL2015PTC27962

Balance Sheet as on 31.03.2021

	Notes	March 31, 2021 Rs.	March 31, 2020 Rs.
Equity and liabilities			
Shareholders' fund			
Share capital	3	4,650,000	4,650,000
Reserves and surplus	4	5,342,342	3,651,373
		9,992,342	8,301,373
Non- current liabilities			
Long-term borrowings	5	2,546,310	1,205,310
Deferred Tax Liability	9	293,632	202,725
Other non-current liabilities	6	601,324	
		3,441,266	1,408,035
Current liabilities			
Short-term borrowings	5	7,831,636	7,575,560
Trade payables	6	7,608,444	5,259,813
Other current liabilities	6	2,493,574	2,749,703
Short-term provisions	7	451,724	675,355
		18,385,379	16,260,431
TOTAL		31,818,987	25,969,839
Assets			
Non- current assets			
Fixed assets:			
Tangible Assets	8	13,272,122	12,644,342
Defererd tax assets (net)	9	-	-
Loans and advances	10	-	-
		13,272,122	12,644,342
Current assets			
Inventories	11	7,968,204	2,765,831
Trade receivables	12	9,206,206	8,488,655
Cash and bank balances	13	503,587	49,086
Loans and advances	10	859,547	2,021,925
Other current assets	14	9,320	-
		18,546,865	13,325,497
TOTAL		31,818,987	25,969,839

NOTES TO ACCOUNTS

Notes referred to above and notes attached there to form an integral part of Balance Sheet

For Jain Subhash Chand & Co
Chartered Accountants
FRN No. 006490C

CA Shubash Chand Jain
Partner
M. No.: 070517
Place: Ghaziabad
Date: 20/10/2021



For and on behalf of the board of directors of
SunGarner Energies Private Limited

Sumit Tiwari
Director
DIN: 07047276

Snigdha Tiwari
Director
DIN: 08292988

SUNGARNER ENERGIES PRIVATE LIMITED
Cabin No. 04, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar
New Delhi - 110092
CIN: U34100DL2015PTC27962

Statement of Profit & Loss Account for the year ending 31.03.2021

	Notes	For the year ended March 31, 2021 Rs.	For the year ended March 31, 2020 Rs.
Income			
Revenue from operations (Gross)	15	53,642,940	43,587,961
Other income	16	-	25,093
Total revenue (I)		53,642,940	43,613,054
Expenses			
Purchase	17	38,291,997	22,990,509
Change in Inventories of Finished Goods, Work in progress and Stock in trade	18	(5,202,373)	(303,520)
Employee benefit expenses	19	9,431,922	11,511,990
Other expenses	20	7,267,353	7,198,694
Total expenses (II)		49,788,899	41,397,673
Earnings before interest, tax, depreciation and amortization (I-II)		3,854,041	2,215,381
Depreciation and amortization expense	21	608,692	721,667
Finance costs	22	963,473	1,113,300
Profit/ (Loss) before tax		2,281,875	380,414
Tax expenses			
Current tax		500,000	60,658
Deferred Tax Liabilities/ (Assets)		90,907	47,648
MAT Credit Entitlement		-	-
Total tax expenses		590,907	108,306
Profit (Loss) after tax		1,690,969	272,108
Earning per equity share [nominal value of share Rs. 10 (March 31, 2021: Rs. 10)]			
Basic			
Computed on the basis of total Profit for the year	23	3.64	0.59

NOTES TO ACCOUNTS

Notes referred to above and notes attached there to form an integral part of Balance Sheet

For Jain Subhash Chand & Co
Chartered Accountants
FRN No. 006490C.

CA Shubash Chand Jain
Partner
M. No.: 070517
Place: Ghaziabad
Date: 20/10/2021



For and on behalf of the board of directors of
SunGarner Energies Private Limited

Sumit Tiwari
Director
DIN: 07047276

Snigdha Tiwari
Director
DIN: 08292988

SunGarner Energies Private Limited
Cash flow statement for the year ended March 31, 2021

	March 31, 2021	March 31, 2020
	Rs.	Rs.
Cash flow from operating activities		
Profit/(Loss) before tax	2,281,875	380,414
Adjustment for:		
Depreciation and amortisation	608,692	721,667
Finance costs	963,473	1,113,300
Interest (income)	-	(25,093)
Operating profit before working capital changes	3,854,040	2,190,287
Movements in working capital:		
Increase/(Decrease) in trade payables	2,348,631	(778,796)
Increase/(Decrease) in other current liabilities	(256,129)	(354,127)
Increase/(Decrease) in Short term provision	(223,631)	(375,028)
Decrease/(Increase) in long-term loans & advances	90,907	199,235
Decrease/(Increase) in trade receivables	(717,551)	1,570,864
Decrease/(Increase) in short-term loans & advances	1,162,378	(771,051)
Decrease/(Increase) in Inventories	(5,202,373)	(303,520)
Decrease/(Increase) in other current assets	(9,320)	83,623
Cash generated from/(used in) operations	1,046,951	1,461,486
Direct taxes paid (net of refunds)	(590,907)	(108,306)
Net cash flow from/(used in) operating activities (A)	456,044	1,353,180
Cash flow from investing activities		
Purchase of fixed assets including intangible,	(1,236,471)	(335,808)
Interest received	-	25,093
Net cash flow used in investing activities (B)	(1,236,471)	(310,715)
Cash flow from financing activities		
Proceeds from issuance of equity share capital	-	-
Long-term borrowings Taken/(Repayment)	1,341,000	-
Short-term borrowings Taken/(Repayment)	256,077	(483,755)
Finance costs paid	(963,473)	(1,113,300)
Net cash flow from/(used in) financing activities (C)	633,603	(1,597,055)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(146,824)	(554,590)
Cash and cash equivalents at the beginning of the year	49,086	603,677
Cash and cash equivalents at the end of the year	(97,739)	49,086
Components of cash and cash equivalents		
Cash on hand	32,252	32,001
With banks - on current account	471,335	17,085
on deposit account	-	-
Total Cash and cash equivalents (Note 13)	503,587	49,086

As per our report of even date
For Jain Subhash Chand & Co
Chartered Accountants
FRN No. 006490G

CA Shubash Chand Jain
Partner
M. No.: 070517
Place: Ghaziabad
Date: 20/10/2021



For and on behalf of the board of directors of
SunGarner Energies Private Limited

Sumit Tiwari
Director
DIN: 07047276

Snigdha Tiwari
Director
DIN: 08292988

SUNGARNER ENERGIES PRIVATE LIMITED
Cabin No. 04, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar
New Delhi - 110092

CIN: U34100DL2015PTC27962

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

Note 3: Share Capital

	(Figures in Rs.)	
	March 31, 2021	March 31, 2020
Authorized shares		
500000 Equity shares of Rs.10/- each.(P.Y. 500000 Equity Share of Rs.10/- each)	5,000,000	5,000,000
	5,000,000	5,000,000
Issued, subscribed and fully paid-up shares		
465000 Shares of Rs. 10/-each fully paid up. (465000 Shares of Rs. 10/-each fully paid up)	4,650,000	4,650,000
Total Issued, subscribed and fully paid-up share capital	4,650,000	4,650,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2021		March 31, 2020	
	Nos.	Amount	Nos.	Amount
Equity Shares				
At the beginning of the year	465,000	4,650,000	465,000	4,650,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	465,000	4,650,000	465,000	4,650,000

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a 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 of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company & Shares held by Holding Company

	March 31, 2021		March 31, 2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Equity shares of Rs. 10 each fully paid up and held on March 31, 2021				
Sumit Tiwari	348,500	74.95%	348,500	74.95%
Pooja Nill Almadi	46,500	10.00%	46,500	10.00%
Snigdha Tiwari	70,000	15.05%	70,000	15.05%

As per 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 ownerships of shares.

SUNGARNER ENERGIES PRIVATE LIMITED

Cabin No. 04, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar
New Delhi - 110092

CIN: U34100DL2015PTC27962

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

Note 4: Reserves & surplus

	(Figures in Rs.)	
	March 31, 2021	March 31, 2020
Profit in statement of profit and loss		
Balance as per last financial statements	3,651,373	3,379,265
Add: Loss for the year	1,690,969	272,108
Net Profit in statement of profit and loss	<u>5,342,342</u>	<u>3,651,373</u>
 Total reserves and surplus	 <u>5,342,342</u>	 <u>3,651,373</u>

	(Figures in Rs.)			
	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note 5: Long Term Borrowing				
Term Loan	1,575,000			
Bank Overdraft	-	-	7,831,636	7,575,560
Loan from Directors	971,310	1,205,310		
	<u>2,546,310</u>	<u>1,205,310</u>	<u>7,831,636</u>	<u>7,575,560</u>

	(Figures in Rs.)			
	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Note 6: Other current liabilities				
Trade payables			7,608,444	5,259,813
Others liabilities				
Advance from customers			318,626	1,500,000
Others				
Statutory Dues payable			1,050,498	848,970
Other payables	601,324		1,124,450	400,733
Total of other liabilities	<u>601,324</u>	<u>-</u>	<u>2,493,574</u>	<u>2,749,703</u>
	<u>601,324</u>	<u>-</u>	<u>10,102,019</u>	<u>8,009,515</u>

Note 7: Provisions

	(Figures in Rs.)			
	Long-term		Short-term	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for Taxes				
Provision for Income Tax			451,724	675,355
	<u>-</u>	<u>-</u>	<u>451,724</u>	<u>675,355</u>

SunGamer Energies Private Limited
Notes to financial statements for the year ended March 31, 2021
Note 8: Tangible Assets

(Figures in Rs.)

S.No.	Particulars	Gross Block			Depreciation			Net Block			
		Opening 01.04.2020	Addition During the Year	Deletion During the Year	Closing 31.03.2021	Opening 01.04.2020	Addition During the Year	Deletion During the Year	Closing 31.03.2021	WDV 31.03.2020	WDV 31.03.2021
1	Land	5116098.00	0.00	0.00	5116098.00	0.00	0.00	0.00	5116098.00	5116098.00	5116098.00
2	Buildings	6443626.00	49076.00	0.00	6934402.00	216360.41	0.00	703782.41	5956204.00	6230619.59	6230619.59
3	Furniture & Fixture	765793.82	155985.00	0.00	921778.82	79395.53	0.00	251183.76	594005.59	670595.06	670595.06
4	Office Equipment	281076.17	133051.00	0.00	414127.17	66710.43	0.00	170291.43	177495.17	243835.74	243835.74
5	Computer Hardware	512237.00	59406.00	0.00	571643.00	167692.95	0.00	525730.95	154199.00	45912.05	45912.05
6	Plant & Machinery	1178818.00	397257.00	0.00	1576075.00	78533.15	0.00	611013.15	646338.00	965061.85	965061.85
	Total	14297648.99	1236475.00	0.00	15534123.99	608692.47	0.00	2262001.70	12644341.99	13277122.29	13277122.29
	Previous Year Figure	13961839.00	335810.00	0.00	14297649.00	721667.00	0.00	1653307.00	13030199.00	12644342.00	12644342.00

SunGarner Energies Private Limited

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

Note 9: Defererd Tax

(Amount in Rupees)

	31.03.2021	31.03.2020
Deferred Tax Liabilities:		
Depreciation as per Income Tax Act	958,334	904,928
Depreciation as per Companies Act	608,692	721,667
Timing Difference	349,642	183,261
Tax on Timing Difference	87,410	45,815.35
Add: Cess	3,496	1,833
Deferred Tax Liability	90,907	47,648
Opening as on 01.04.2020	-	-
Deferred Tax Liability	90,907	47,648
Deferred Tax Assets :		
Disallowance of Exps	0	0
Business Loss Carry Forward	-	0
Timing Difference for Next Years	-	0
Tax on Timing Difference	-	0
Add: Cess	-	0
Deferred Tax Assets	-	0
Deferred Tax Liability :	90,907	47,648
Opening as on 01.04.2020	-202,725	-155,077
Deferred Tax Assets as on 31.03.2020	-202,725	-155,077
Net Deferred Tax Assets as on 31.03.2021	-293,632	-202,725

Defererd tax is recognised for all timing differences, subject to the consideration of prudence in respect of deferred tax assets. Defererd tax assets and liabilities are measured using the tax rates. In compliance with Accounting standard 22.

SunGarner Energies Private Limited
Notes to financial statements for the year ended March 31, 2021
Note 10: Loans and advances

	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Figures in Rs.)				
Security deposits				
Unsecured, considered good	-	-	-	-
(B)	-	-	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	263,968	1,134,808
(C)	-	-	263,968	1,134,808
Other loans and advances				
Unsecured, considered good				
Advance Income-tax (TDS Receivable)			102,541	638,256
CENVAT credit receivable/ GST Receivable			398,621	155,176
Other receivables	-	-	94,417	45,409
MAT credit Entitlement (A.Y 2018-19)			-	48,276
(D)	-	-	595,579	887,117
Total (A+B+C+D)	-	-	859,547	2,021,925

SunGarner Energies Pvt. Ltd.
Notes to financial statements for the year ended March 31, 2021
Note 11: Inventories

			(Figures in Rs.)	
			March 31, 2021	March 31, 2020
Stock in trade acquired for trading/ Manufacturing				
Raw Materials		7,910,204		
Finished Goods		58,000	7,968,204	2,765,831
(valued at lower of cost and net realisable value, as per value certified by the management)				
Total			7,968,204	2,765,831

Note 12: Trade receivables

	(Figures in Rs.)	
	March 31, 2021	March 31, 2020
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	1,284,963	-
Unsecured, considered doubtful	-	-
Provision for doubtful receivables	1,284,963	-
Other receivables	1,284,963	-
Unsecured considered good	7,921,243	8,488,655
Unsecured considered doubtful	-	-
Provision for doubtful receivables	7,921,243	8,488,655
	-	-
	7,921,243	8,488,655
	9,206,206	8,488,655

SunGamer Energies Pvt. Ltd.
Notes to financial statements for the year ended March 31, 2021
Note 13: Cash and bank balance

	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	471,335	17,085
Deposits with remaining maturity of less than three months	-	-	-	-
Cash on hand	-	-	32,252	32,001
			503,587	49,086
Other bank balances				
Deposits with remaining maturity for more than 12 months	-	-	-	-
Deposits with remaining maturity for more than 3 months but upto 12 m	-	-	-	-
Earmarked fixed deposits*	-	-	-	-
			503,587	49,086

Note 14: Other assets

	Non-current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Prepaid Insurance	-	-	9,320	-
Total	-	-	9,320	-

SUNGARNER ENERGIES PRIVATE

Cabin No. 04, Office No. 206, Rohini Complex CA Lane, WA 107, Shakarpur, Laxmi Nagar
New Delhi - 110092

CIN: U34100DL2015PTC27962

Statement of profit & loss for the year ended March 31, 2021

Note 15: Revenue from operations

	(Figures in Rs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Traded Goods (net)	49,342,700	39,395,323
Erection, Commissioning & Installation income	4,300,240	4,192,638
Revenue from operations (net)	53,642,940	43,587,961

Note 16: Other income

	(Figures in Rs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on bank deposits	-	25,093
	-	25,093

Note 17: Purchase

	(Figures in Rs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Domestic Purchase	38,155,801	22,990,509
Consumable	136,196	-
	38,291,997	22,990,509

Note 18: Change in inventories of finished goods, work-in-progress and stock-in-trade

	(Figures in Rs.)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<u>Inventories at the end of the year</u>		
Raw Materials	7,910,204	
Finished Goods	58,000	7,968,204
		2,765,831
<u>Inventories at the beginning of the year</u>		
Raw Materials	2,069,962	
Finished Goods	695,869	2,765,831
		2,462,311
Net (Increase)/ Decrease	(5,202,373)	(303,520)

SunGarner Energies Pvt. Ltd.
Statement of profit & loss for the year ended March 31, 2021
Note 19: Employee benefit expenses

(Figures in Rs.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	8,794,205	10,810,217
Contribution to provident and other funds	637,717	701,773
	<u>9,431,922</u>	<u>11,511,990</u>

Note 20: Other expenses

(Figures in Rs.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Site Indirect Expenses	539,306	79,311
Freight, Cartage, Loading and Unloading Expenses	891,545	1,323,009
Freight Inward	327,054	
Electricity & water Charges	340,915	360,240
Custom Duty	31,516	
Advertisement	63,080	
Business Promotion	143,153	
Jobwork Charges	425,329	
Canteen Expense	308,416	
Office Rent	132,000	132,000
Rates and Taxes	59,844	48,371
Insurance Charges	37,162	71,837
Repair and Maintenance Building	16,000	482,618
Repair and Maintenance Machinery	324,411	
Software Expense	16,326	
Rebate & Discounts	500,000	
Research and Development Expenses	93,467	135,155
Travelling and Conveyance Charges	573,453	1,303,693
Courier Expenses	142,667	105,632
Manpower Expense	987,665	300,145
Communication Charges	74,605	79,845
Legal & Professional Charges	730,090	546,750
Printing & Stationery	135,592	123,320
Audit Fee	150,000	150,000
Diwali Expense	27,838	
Sales Commission	49,679	
Staff Welfare Expenses		
Installation & Commissioning Charges		
Miscellaneous Expenses		374,317
	<u>146,240</u>	<u>1,582,451</u>
	<u>7,267,353</u>	<u>7,198,694</u>

Note 21: Depreciation and amortization expense

(Figures in Rs.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Tangible Assets	608,692	721,667
	<u>608,692</u>	<u>721,667</u>

SunGarner Energies Pvt. Ltd.
 Statement of profit & loss for the year ended March 31, 2021
 Note 22: Finance costs

(Figures in Rs.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on		
Interest on Bank Overdraft	857,395	945,823
Late payment of taxes	2,978	36,146
Bank charges	103,100	131,331
	<u>963,473</u>	<u>1,113,300</u>

Note 23: Earning per equity share

(Figures in Rs.)

	For the year ended March 31, 2021	For the year ended March 31, 2020
After exceptional items		
Net Profit/(loss) for calculation of basic EPS (Rs.)	1,690,969	272,108
Weighted average number of equity shares in calculating basic EPS (No.)	465,000	465,000
Basic earnings per share (Rs.)	<u>3.64</u>	<u>0.59</u>

SunGarner Energies Private Limited

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

Note 1: Corporate information

SunGarner Energies Private Limited ("the Company") is a private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is engaged in Manufacturing, Trading of Solar Equipment and Installation and commissioning of Solar Power Plant. The Company presently provides this products this and services to corporate houses all over India.

Note 2: Basis of preparation

The financial statement of the company have been prepared and presented in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statement to comply with all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7of the companies (accounts) rules, 2014 and Companies (accounting standards) Amendment Rules, 2016 to the extent applicable. The financial statement have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements, except as mentioned herein below, are consistent with those of previous year.

Note 2.1: Summary of significant accounting policies

a) Use of estimates

The preparation of financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are made 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 or liabilities in future periods.

b) Fixed assets

Fixed Assets are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes including import duties etc. if any 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 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, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of 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 account when the asset is derecognized.

c) Depreciation on fixed assets

Depreciation on fixed Assets is calculated on a straight-line basis of the useful lives as prescribed in schedule II of the companies Act, 2013. However, for items not specifically included therein and for items where the useful life

SunGarner Energies Private Limited

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

prescribed may not be reasonable, management has estimated the useful lives and residual values based on technical evidence and justification.

d) Impairment of fixed assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required; the company estimates the asset's recoverable amount. After impairment, depreciation is provide on the revised carrying amount, if any of the asset over its remaining useful life.

e) Revenue recognition

Sales accounted for on the basis of material dispatched and invoices raised by the company when risk and rewards in goods sold is transferred to the buyer. The company collects Goods and service tax on the sale of goods on behalf of the government and it is not an economic benefit to the company. Hence, it is excluded from sales.

Income from services

Revenue from installation and commissioning are recognized as and when services are rendered. Revenue is reversed for invoices not accepted by the customer against whom credit notes are issued. The company collects service tax/goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue. Installation and commissioning charges is including under the head revenue from operation.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate to the extent considered reasonably certain to be received. Interest income is included under the head "other income" in the statement of profit and loss

f) Foreign currency translation

There was no foreign currency transaction made during the year.

g) Retirement and other employee benefit

Provision for gratuity has not been made because numbers of employee are below the minimum prescribed limit under gratuity act, 1972.

h) Income tax

Tax expense comprises 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 used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect 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.

SunGarner Energies Private Limited

Notes to financial statements for the year ended

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable rights exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax MAT paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with guidance note on accounting for credit available in respect of minimum alternative tax under the income tax act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement." The company reviews the "MAT credit entitlement." Asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified periods.

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 preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the periods is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding changes in resources.

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

j) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on the best estimate required to settle the obligation at the reporting date.

k) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

SunGarner Energies Private Limited

Notes to financial statements for the year ended

l) Inventories

Finished goods are valued at lower of cost and estimated realizable value. Cost has been arrived as per FIFO method.

m) Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in-hand and short-term investment with a remaining maturity of three months or less.

Note 24: capital work in progress

There is no capital work in progress

Note 25: related party disclosure

Name of related party and related party relationship

Key Management Personnel

Mr. Sumit Tiwari, director

Related parties with whom transactions have been entered

Mrs. Snigdha Tiwari

Mr. Sumit Tiwari

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 :

Transactions during the year with related parties	March 31, 2021	March 31, 2020
Mrs. Snigdha Tiwari Salary Paid	Rs. 7,34,020	Rs. 7,50,000
Mr. Sumit Tiwari Salary Paid	Rs. 11,42,124	Rs. 15,85,000

SunGarner Energies Private Limited

Notes to financial statements for the year ended

Note 26: As the company is mainly engaged in Manufacturing and trading of Solar Equipment etc. it is only one segment and therefore no reporting is required as per Accounting Standard - 17 issued by Institute of Chartered Accountants of India.

Note 27: previous year figures

Previous year figures have been regrouped and reclassified where necessary for the purpose of comparison.

For Jain Subhash Chand & Co.
Chartered Accountants
FRN No.: 006490C

C.A Subhash Chand Jain
(Partner)
Membership Number : 070517
Place : Ghaziabad
Date : 20.10.2021



For and behalf of the board of Directors of
SunGarner Energies Private Limited

Sunjit Tiwari
Director
DIN : 07047276

Snigdha Tiwari
Director
DIN : 08292988