



## INDEPENDENT AUDITORS' REPORT

To

The Members of **Skan Sales and Services Private Limited.**

### Report on the audit of the financial statements

#### Opinion

We have audited the accompanying financial statements of Skan Sales and Services Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss for the year then 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 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 March 31, 2023, its Profit for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under Section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, 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.

#### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 of 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 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 are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements:**

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





individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,



including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

The provisions of the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since

- (a) It is not a subsidiary or holding company of a public company;
- (b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
- (c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
- (d) Its turnover for the year is not more than Rs.10 Crores during the year.

#### **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, dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;





- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company does not have any pending litigations which would impact its financial position
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- (h) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (i) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (j) Based on such audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

- (k) The Board of Directors of the Company have not proposed dividend for the year in the absence of profit during the year.

For RSVA & Co.,  
Chartered Accountants  
F R No. 110504W



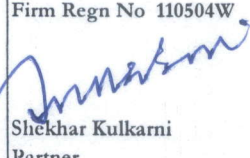

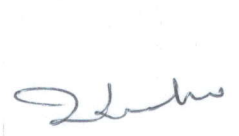
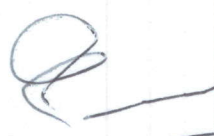
Place: Mumbai  
Date : 05<sup>th</sup> Sept 2023  
UDI No. : 23046285BGSZMH7027

  
Shekhar Kulkarni  
Partner  
M No. 046285



**Skan Sales and Services Private Limited**  
**CIN: U50300MH2007PTC172487**  
**Balance Sheet as at 31st March, 2023**

(Rs in '000)

Particulars	Note No.	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	100	100
(b) Reserves and Surplus	2	3,240	342
(c) Money received against share warrants			
<b>(2) Share Application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	56,010	2,214
(b) Deferred Tax Liabilities (Net)		0.5	-
(c) Other Long Term Liabilities		-	-
(d) Long-Term Provisions		-	-
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	4	5,505	2,529
(c) Other Current Liabilities	5	15,858	144
(d) Short-Term Provisions	6	1,023	-
<b>Total Equity &amp; Liabilities</b>		<b>81,737</b>	<b>5,329</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	7	18	-
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	20,485	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	9	11,637	100
(e) Other non-current assets		-	-
<b>Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	10	23,106	494
(c) Trade receivables	11	6,219	3,058
(d) Cash and cash equivalents	12	796	1,234
(e) Short-term loans and advances		-	-
(f) Other current assets	13	19,476	443
<b>Total Assets</b>		<b>81,737</b>	<b>5,329</b>
Significant Accounting Policies	20		
As per our report of even date			
For RSVA & Co.,			For Skan Sales and Services Private Limited
Chartered Accountants			
Firm Regn No 110504W			
			
Shekhar Kulkarni		N. R. Rao	Sureshkumar Sood
Partner		Director	Director
Membership No 046285		DIN: 01326471	DIN: 00396598
Mumbai		Mumbai	Mumbai
Date: 5th Sept 2023		Date: 5th Sept 2023	Date: 5th Sept 2023
UDI No.: 23046285BGSZMH7027			

**Skan Sales and Services Private Limited**  
**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2023**

**Note : 1**  
**Share Capital**

		31st March, 2023		31st March, 2022	
		No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
1	<b>Authorised Share Capital</b>	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
	Equity Shares of Rs 10.00 each	10,000	100	10,000	100
	<b>Total</b>	10,000	100	10,000	100
2	<b>Issued Share Capital</b>				
		10,000	100	10,000	100
	<b>Total</b>	10,000	100	10,000	100
3	<b>Subscribed and fully paid</b>				
		10,000	100	10,000	100
	<b>Total</b>	10,000	100	10,000	100
4	<b>Subscribed but not fully paid</b>				

**Note No: 1 - 2**

		31st March, 2023		31st March, 2022	
		Number	Amount (Rs.)	Number	Amount (Rs.)
1	<b>Equity Shares (Face Value Rs 10)</b>				
	Shares outstanding at the beginning of the year	10,000	100	10,000	100
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	10,000	100	10,000	100

**Note : 1 - 3**

**Share Holding Pattern**

(in case of share holders holding more than 5% of Total number of Shares issued, subscribed and paid up)

Sr. No	Name of Shareholder	Equity Shares			
		31st March, 2023		31st March, 2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sureshkumar Brahmprakash Sood	5,000	50%	5,000	50%
2	Anita Mankar Sood	5,000	50%	5,000	50%

**Note No: 1 - 4**

For the Period of Five years immediately preceding the date as at which Balance Sheet is prepared the Company has not:

- (i) Allotted any shares in pursuance to contract(s) without payment being received in Cash.
- (ii) Allotted any shares by way of Bonus Shares
- (iii) Bought back any shares





**Skan Sales and Services Private Limited**

**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2023**

**Note : 2**

**Reserves & Surplus**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	<b>Surplus</b>	<b>3,240</b>	<b>342</b>
	Opening Balance	342	(326)
	Add: Short/Excess Provision	(109)	-
	Add: Current year transfer	3,006	669
	Closing Balance	3,240	342
	<b>Total</b>	<b>3,240</b>	<b>342</b>

**Note : 3**

**Long Term Borrowings**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	<b>Unsecured</b>	<b>56,010</b>	<b>2,214</b>
a	Loans and advances from related Parties	56,010	2,214
	<b>Total</b>	<b>56,010</b>	<b>2,214</b>

**Note : 4**

**Trade Payables**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Other Trade Payable	5,505	2,529
	<b>Total</b>	<b>5,505</b>	<b>2,529</b>

**Note : 5**

**Other Current Liabilities**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Other Payables	4,193	144
2	Statutory Due Payables	11,665	-
	<b>Total</b>	<b>15,858</b>	<b>144</b>

**Note : 6**

**Short Term Provisions**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Provisions for Employees Benefits	-	-
2	Others	1,023	-
	<b>Total</b>	<b>1,023</b>	<b>-</b>



Skan Sales and Services Private Limited  
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2023

Note : 7

Fixed Asset

Fixed Asset												(Rs in '000)
Sr. No.	Particular	Gross Block				Depreciation				Net Block		
		Opening as on 01.04.22	Addition during year	Deduction during year	Closing as on 31.03.23	Opening as on 01.04.22	Dep during the Year	Write of upon useful life.	Adjustment through Retained Earnings	Closing as on 31.03.23	As on 31.03.23	As on 31.03.22
	Tangible Assets											
1	Land	-	-	-	-	-	-	-	-	-	-	-
2	Building	-	-	-	-	-	-	-	-	-	-	-
3	Plant and equipment	-	-	-	-	-	-	-	-	-	-	-
4	Furniture and fixture	-	-	-	-	-	-	-	-	-	-	-
5	vehicles	-	-	-	-	-	-	-	-	-	-	-
6	Office equipment	-	20	-	20	-	2	-	-	2	18	-
	SUB TOTAL (A)	-	20	-	20	-	2	-	-	2	18	-
II	Intangible Assets											
	Goodwill	-	-	-	-	-	-	-	-	-	-	-
	Brands/Trademarks	-	-	-	-	-	-	-	-	-	-	-
	Licenses and franchise	-	-	-	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-	-	-
III	Capital Work-in-progress											
1		-	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-	-
IV	Intangible Assets Under Development											
		-	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C+D) (Current Year)	-	20	-	20	-	2	-	-	2	18	-
	(Previous Year)											





**Skan Sales and Services Private Limited**

**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2023**

**Note : 8**

**Non-Current Investments**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	<b>Other Investments</b>	20,485	-
	Investment Property	-	-
	Investment in Equity instruments	-	-
	Investment in Preference shares	-	-
	Investment in Government or trust securities	-	-
	Investment in debentures or bonds	-	-
	Investment in Mutual funds	-	-
	Investment in partnership firms	-	-
	Other non-current investments	20,485	-
	<b>Total</b>	<b>20,485</b>	<b>-</b>

**Note : 9**

**Long Term Loans and Advances**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	<b>Other Loans &amp; Advances</b>	11,637	100
	a) Unsecured, Considered Good	11,637	100
	<b>Total</b>	<b>11,637</b>	<b>100</b>

**Note : 10**

**Inventories**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Finished Goods	23,106	494
	<b>Total</b>	<b>23,106</b>	<b>494</b>

**Note : 11**

**Trade Receivables**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	<b>Outstanding for less than six months</b>	6,219	3,058
	a) Unsecured, Considered Good	6,219	3,058
	<b>Total</b>	<b>6,219</b>	<b>3,058</b>



**Skan Sales and Services Private Limited**  
**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2023**

**Note : 12**

**Cash & Cash Equivalents**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Balance with Banks	732	1,167
a	Earmarked Balances with Banks	732	1,167
2	Cash on Hand	64	67
	<b>Total</b>	<b>796</b>	<b>1,234</b>

**Note : 13**

**Other Current Assets**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Other Current Assets	19,476	443
	<b>Total</b>	<b>19,476</b>	<b>443</b>





**Skan Sales and Services Private Limited**  
Notes Forming Part of the Statement of Profit and Loss for the year ended 31st March, 2023

**Note : 14**

**Revenue from Operations**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Sale of Products	59,270	6,736
2	Sale of Services	769	
	<b>Total</b>	<b>60,039</b>	<b>6,736</b>

**Note : 15**

**Other Income**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Other Non-Operating Income	120	-
	<b>Total</b>	<b>120</b>	<b>-</b>

**Note : 16**

**Cost of Material Consumed**

(Rs in '000)

Sr. No.	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Purchases of Stock-in-Trade	71,263	3,814
2	Finished goods	(22,612)	758
	Opening Balance	494	1,252
	Less: Closing Balance	23,106	494
	<b>Total</b>	<b>48,651</b>	<b>4,572</b>

**Note : 17**

**Employee Benefit Expenses**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Salaries and Wages	604	797
2	Staff Welfare Expenses	-	28
	<b>Total</b>	<b>604</b>	<b>825</b>

**Note : 18**

**Finance Costs**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Other Borrowing Costs	99	2
	<b>Total</b>	<b>99</b>	<b>2</b>

**Note : 19**

**Other Expenses**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Payment to Auditors	75	18
	As Auditor	75	18
2	Other Direct Expenses	967	510
3	Miscellaneous expenses	5,744	140
	<b>Total</b>	<b>6,787</b>	<b>668</b>

**Note : 21**

**Tax Expenses**

(Rs in '000)

Sr. No	Particulars	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
1	Current Tax	1,011	-
2	Deferred Tax	0	-
	<b>Total</b>	<b>1,011</b>	<b>-</b>



Skan Sales and Services Private Limited  
CIN: U50300MH2007PTC172487  
Statement of Profit and Loss Account for the year ended 31st March, 2023

(Rs in '000)

Sr. No	Particulars	Note No.	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
I	Revenue from operations	14	60,039	6,736
II	Other Income	15	120	-
III	<b>Total Revenue (I + II)</b>		<b>60,159</b>	<b>6,736</b>
IV	<b>Expenses:</b>			
	<b>Cost of materials consumed:</b>	16		
	Purchases of Stock-in-Trade		71,263	3,814
	Changes in inventories of finished goods		(22,612)	758
	Work-in-progress		-	-
	Stock-in-Trade		-	-
	Employee Benefits Expenses	17	604	825
	Finance Costs	18	99	2
	Depreciation and Amortisation Expense		2	-
	Other Expenses	19	6,787	668
	<b>Total Expenses (IV)</b>		<b>56,143</b>	<b>6,067</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>4,017</b>	<b>669</b>
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>4,017</b>	<b>669</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>4,017</b>	<b>669</b>
X	<b>Tax expense:</b>			
	(1) Current tax		1,011	-
	(2) Deferred tax		0	-
XI	Profit(Loss) for the period from continuing operations	(IX-X)	<b>3,006</b>	<b>669</b>
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (after tax)(XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>3,006</b>	<b>669</b>
XVI	Earnings per equity share:			
	(1) Basic		300.59	66.87
	(2) Diluted		300.59	66.87

Significant Accounting Policies

20

As per our report of even date

For RSVA & Co.,

Chartered Accountants

Firm Regn No 110504W

Shekhar Kulkarni

Partner

Membership No 046285

Mumbai

Date: 5th Sept 2023

UDI No.: 23046285BGSZMH7027



For Skan Sales and Services Private Limited

N. R. Rao

Director

DIN: 01326471

Mumbai

Date: 5th Sept 2023

Sureshkumar Sood

Director

DIN: 00396598

Mumbai

Date: 5th Sept 2023



# SKAN SALES AND SERVICES PRIVATE LIMITED

Notes annexed to and forming part of the accounts for the year ended 31<sup>st</sup> March, 2023

Note No. 20

## 1. Significant Accounting Policies

### a) Accounting Convention

The Financial Statements have been prepared under the historical cost convention, on accrual basis to comply in all material respects with all applicable accounting principles in India, the applicable Accounting Standards notified under Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

### b) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

### c) Property, Plant and Equipment:

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

### d) Subsequent expenditures:

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be



reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

**e) Depreciation:**

Depreciation is provided on all property, plant and on straight-line method. Earlier depreciation was provided on furniture and office equipments under the written down value method on pro-rata basis over the useful lives of the assets as prescribed in the Schedule II to the Companies Act, 2013. Looking to the smallness of the amount, it is decided by management to adopt straight line method on all assets.

Assets class		Useful life
Furniture fixtures	&	10 years
Office Equipments		5 years
Vehicles		8 years
Electrical Installation		10 years
Computers		3 years

**f) Inventories**

Inventories are valued at cost or Net Realizable Value whichever is lower.

**g) Investments**

The company does not hold any investments during the reporting period.

**h) Revenue Recognition**

- i. Income from Operations: Revenues for the year are recognized on accrual basis.
- ii. Other Income: Other Income and expenses are recognized on accrual basis, while dividend on shares & securities is recognized when right to receive the dividend is established.

**i) Borrowing Costs**

Interest and other costs incurred in connection with borrowing of the funds are charged to revenue on accrual basis.

**j) Taxation**

Income Tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rates adjusted by





changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

## 2. Notes to Accounts:

### a. Managerial Remuneration:

a) Details of remuneration paid to Directors is Rs. NIL

b) Disclosure requirements as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

#### i. List of Related Parties :

- a) Parties Where Control Exists:- None
- b) Associate companies where managing directors or relatives of managing director or Directors:- Nil
- c) Key Management Personnel:-
  - (i) N R Rao
  - (ii) Suresh Kumar Sood
  - (iii) Anita Sood Mankar

#### ii. Particulars of transactions during the year with Related Parties :

(Rs in '000)

Name of the Party	Particulars	2022-23	2021-22
N R Rao	Professional Fees Paid	600	NIL

#### iii. Particulars of Outstanding Balance at the end of the year with Related:

(Rs in '000)

Name of the Party	Particulars	2022-23	2021-22
N R Rao	Sundry Creditor Balance	600	NIL

### b. Deferred Tax:

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred Tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for 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.



**c. Earning Per Share**

As per Accounting Standard 20 "Earning Per Share" issued by Institute of Chartered Accountant of India the Company gives following disclosure for the year. The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (after providing the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of equity shares outstanding during the year.

(Rs in '000)			
Basic Earnings Per Share		2022-23	2021-22
Profit / Loss after tax	(A)	3,006	668.68
Weighted Avg. No. of Shares	(B)	10,000	10,000
Earnings Per Share	(A/B)	300.59	66.87

(Rs in '000)			
Diluted Earnings Per Share		2022-23	2021-22
Profit / Loss after tax	(A)	3,006	666.68
Weighted Avg. No. of Shares	(B)	10,000	10,000
Earnings Per Share	(A/B)	300.59	66.87

**d. Provisions and Contingencies**

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

**e. Prior Period Items**

There are no prior period items during the year.

The figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year.

**f) Ageing Analysis of Trade Payables:**

Particulars	Outstanding for following periods from due date of payments				
	(Rs. In '000)				
	Less than 1 yr	1-2 years	2-3 years	More than 3 years	Total
1. MSME	-	-	-	-	-
2. Others (Rs)	5,511.22	-	-	-	5,511.22
3. Disputed - MSME	-	-	-	-	-
4. Disputed Dues Others	-	-	-	-	-
Total (Rs)	5,511.22	-	-	-	5,511.22





**g) Ageing Analysis of Trade Receivables:**

Particulars	Outstanding for the following periods from date of payments				
	(Rs. In '000)				
	Less than 1 yr	1-2 years	2-3 years	More than 3 years	Total
1. Undisputed Trade Receivable considered Good	5,898.95	56.07	-	225.18	6,180.20
2. Undisputed Trade Receivable Considered Doubtful (Rs)	-	-	-	-	-
3. Disputed Trade Receivable considered Good	-	-	-	-	-
4. Disputed Trade Receivable Considered Doubtful	-	-	-	-	-
Total (Rs)	5,898.95	56.07	-	225.18	6,180.20

**h) Title deeds of Immovable Property not held in name of the Company:**

The company does not own any immovable property as at the reporting date whose title deeds are not held in the name of the company either severally or jointly with any other person.

**i) Revaluation of Property, Plant and Equipment:**

The Company does not have any property, plant and equipment or intangible assets or both which have been revalued during the financial year.

**j) Loans and advances to Promoters, Directors, Key Managerial Personnel and related parties (as defined under Companies Act, 2013):**

The Company has not granted loans and advance to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are (a) Repayable on demand or (b) Without specifying any terms or period of repayment.

**k) Capital-Work-in Progress (CWIP):**

The company does not hold any Capital Work in Progress during the year and as on reporting date.

**l) Intangible Assets Under Development:**

The company does not own any Intangible asset at the reporting date and during the year.



**m) Details of Benami property held:**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**n) Borrowing secured against current assets:**

The Company does not have borrowings from Banks on the basis of security of current assets.

**o) Utilization of Borrowings:**

The company has not borrowed any money from banks or public financial institutions and hence this clause is not applicable.

**p) Willful Defaulter:**

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**q) Relationship with struck off companies:**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**r) Registration of charges or satisfaction with Registrar of Companies:**

In the absences of any secured borrowings from banks or financial institutions, there is no need to create charge in favour of anyone. Hence, this clause is not applicable.

**s) Compliance with number of layers of companies:**

The Company does not have any layer of companies.

**t) Financial Ratios:**

Sr. No.	Ratios	2023	2022	Variance (%)	Remarks
1	Current Ratio (in times)	2.22	1.96	13%	
2	Debt Equity Ratio (in times)	560.10	22.14	2430%	
3	Debt Service Coverage Ratio (in times)	41.0	359.35	-88%	
4	Return on Equity Ratio (in %)	40.17	6.69	501%	





5	Inventory Turnover Ratio (in times)	4.17	6.18	-32%	
6	Trade Receivables Turnover Ratio (in times)	28.08	119.84	-77%	
7	Trade Payables Turnover Ratio (in times)	20.59	222.29	-91%	
8	Net Capital Turnover Ratio (in times)	4.03	1.97	105%	
9	Net Profit Ratio (in %)	0.05	0.10	-50%	
10	Return on Capital Employed (in %)	0.07	0.29	-75%	

**u) Compliance with approved scheme(s) of arrangements:**

The Company has not entered into any approved scheme of arrangement which has an accounting impact in current or previous financial year.

**v) Utilisation of Borrowed Funds and Share Premium:**

I) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

II) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.



**w) Undisclosed income:**

There is no income surrendered or disclosed as income during the financial year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.


**x) Corporate Social Responsibility:**

Disclosure on Corporate Social Responsibility (CSR) activities under section 135 of the Companies Act, 2013 are not applicable to the company.

**y) Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

For RSVA & Co.,  
Chartered Accountants  
FRN 110504W

  
Shekhar Kulkarni  
Partner  
MRN :046285



  
N.R. Rao  
Director  
DIN: 01326471

By order of the Board of  
Directors

  
Sureshkumar Sood  
Director  
DIN: 05226215

Place: Mumbai  
Date: 5<sup>th</sup> September, 2023  
UDIN:23046285BGSZMH7027

Place: Mumbai  
Date: 5<sup>th</sup> September, 2023