



Gupta Agarwal & Associates

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF
SANKHU MERCHANDISE PRIVATE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of SANKHU MERCHANDISE PRIVATE LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss for the year ended on 31st March, 2021 and a summary of significant accounting policies and other explanatory information.

OPINION

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 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 31st March, 2021, the profit and total income, changes in equity for the period ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





AUDITOR'S RESPONSIBILITY

Our objective 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 on these financial statements.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by sub-section 3 of Section 143 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 purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as 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 relevant rule issued thereunder
 - (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) 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 - A";
 - (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:





Gupta Agarwal & Associates

CHARTERED ACCOUNTANTS

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the period is in accordance with the provisions of section 197 of the Act.

- (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 did not have any pending litigations in its financial statements.
 - ii. The Company did not have any long term contract including derivative contract which may lead to any foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (" the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, according to information given to us, the said order is not applicable to the company.

For Gupta Agarwal & Associates
Chartered Accountants
Firm's Registration No: 329001E

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 21059535AAAADW2056
Date: 17.04.2021
Place: Kolkata





ANNEXURE - A

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **SANKHU MERCHANDISE PRIVATE LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the period 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 errors or frauds 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 31st March, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gupta Agarwal & Associates
Chartered Accountants
Firm's Registration No: 329001E

Jay Shanker Gupta
Partner

Membership No: 059535
UDIN: 21059535AAAADW2056
Date: 17.04.2021
Place: Kolkata



SANKHU MERCHANDISE PRIVATE LIMITED

CIN: U52190MH2011PTC269247

BALANCE SHEET AS AT 31st MARCH 2021

		Amount in ` (Rs.)	Amount in ` (Rs.)
	Note	As at 31st March 2021	As at 31st March 2020
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	1	2,400,000.00	2,400,000.00
Reserves and Surplus	2	29,716,972.91	29,726,271.81
		32,116,972.91	32,126,271.81
Current Liabilities			
Other Current Liabilities	3	3,995,430.00	3,980,500.00
Short Term Provisions	4	24,572.00	21,352.00
		4,020,002.00	4,001,852.00
TOTAL EQUITY AND LIABILITIES		36,136,974.91	36,128,123.81
<u>ASSETS</u>			
Non-Current Asset			
Non- Current Investment	5	34,700,700.00	34,700,700.00
Long-term Loans & Advances	6	1,245,250.00	1,162,000.00
Current Assets			
Cash and Bank Balances	7	110,850.91	154,042.81
Short-term Loans and Advances	8	80,174.00	111,381.00
		191,024.91	265,423.81
TOTAL ASSETS		36,136,974.91	36,128,123.81

The accompanying notes 1 to 16 are an integral part of the Financial Statement

In terms of our report of even date annexed

For Gupta Agarwal & Associates
Chartered Accountants
FRN: 329001E

(Jay Shanker Gupta)
Partner
Membership No. 059535
UDIN: 21059535AAAADW2056
Kolkata, 17.04.2021



Arvind Harlalka

Arvind Harlalka
(Director)
DIN: 00494136
SANKHU MERCHANDIES PVT. LTD.

Alok Harlalka
(Director) Director
DIN: 02486575

SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	Amount in ` (Rs.)	
		For the year ended 31 st March 2021	For the year ended 31 st March 2020
INCOME			
Revenue from Operations (gross)		-	-
Other Income	9 "A"	90,230.00	90,000.00
		90,230.00	90,000.00
EXPENDITURE			
Employee Benefits Expense	10	-	-
Finance Cost		-	-
Other Expenses	11 "B"	63,961.90	20,912.00
		63,961.90	20,912.00
PROFIT BEFORE TAX	(A-B)	26,268.10	69,088.00
TAX EXPENSES :			
Current Tax		6,610.00	17,963.00
Deferred Tax		-	-
Earlier Years		-	-
NET TAX EXPENSES		6,610.00	17,963.00
PROFIT / (LOSS) FOR THE YEAR		19,658.10	51,125.00
Earnings Per Equity Share (Face Value of 10/- each) :			
	12		
Basic		0.08	0.21
Diluted		0.08	0.21

The accompanying notes 1 to 16 are an integral part of the Financial Statement

In terms of our report of even date annexed

For Gupta Agarwal & Associates
Chartered Accountants
FRN: 329001E



(Jay Shanker Gupta)
Partner
Membership No. 059535
UDIN: 21059535AAAADW2056
Kolkata, 17.04.2021

For and on behalf of the Board

SANKHU MERCHANDIES PVT. LTD.

Arvind Harlalka

Arvind Harlalka **Director**
(Director)
DIN: 00494136

SANKHU MERCHANDIES PVT. LTD.

Alok
Alok Harlalka **Director**
(Director)
DIN: 02486575

SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

1.	SHARE CAPITAL	As at 31st March Amount in Rs.	As at 31st March 2020 Amount in Rs.
	Authorised Shares 2,40,000 (P.Y. 2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
	Issued, Subscribed & Fully paid-up shares 2,40,000 (P.Y. 2,40,000) Equity Shares of Rs. 10/- each	2,400,000 2,400,000	2,400,000 2,400,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Shares outstanding at the beginning of the year	240,000	2,400,000	240,000	2,400,000
Shares Issued during the year - Fresh Issue	-	-	-	-
Shares outstanding at the end of the year	240,000	2,400,000	240,000	2,400,000

(b)	Terms / Rights attached to Equity Shares The Company has only one class of Equity Shares having a par value of Rs. 10 per shares. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Registrar of Members of the Company shall enjoy the same rights and be subject In the event of Winding up of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. For the said purpose, the liquidator may set such value as he deems fair upon any property to be divided
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(c)	Details of Shareholders holding more than 5 % (percent) shares in the Equity Shares of Rs. 10 each fully paid-up	As at 31st March 2021		As at 31st March 2020	
		No. of Shares	% of Holding	No. of Shares	% of Holding
	GreteX Corporate Service Private Limited	50,000	20.83%	50,000	20.83%
	Ambuja Technologies Private Limited	50,000	20.83%	50,000	20.83%
	Ambition Tie Up Private Apsara Selections Limited	96,230	40.10%	96,230	40.10%
		33,770	14.07%	33,770	14.07%

As per records of the Company, including its registers of Shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding	
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SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

	As at 31st March 2021	As at 31st March 2020
	Amount in Rs.	Amount in Rs.
2. RESERVES & SURPLUS		
Securities Premium Account		
Balance as per last financial statements	29,700,000.00	29,700,000.00
Add : Premium on fresh issue of Equity Shares	-	-
	29,700,000.00	29,700,000.00
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	26,271.81	(24,853.19)
Add : Net Profit / (Net Loss) for the year	19,658.10	51,125.00
Less: Adjustment of MAT credit entitlement	(28,957.00)	
Net Surplus / (Deficit) in the Statement of Profit and Loss	16,972.91	26,271.81
	29,716,972.91	29,726,271.81
3. OTHER CURRENT LIABILITIES		
Advance Against Furniture	7,000.00	10,000.00
Audit Fees Payable	-	-
Professional Fees Payable	3,988,430.00	3,970,000.00
Advances Taken	-	500.00
Other Payables	3,995,430.00	3,980,500.00
4. SHORT TERM PROVISIONS		
Provision For Income Tax	24,572.00	21,352.00
	24,572.00	21,352.00
5. NON- CURRENT INVESTMENTS		
Investment in Property - 90, Phears Lane, Kolkata - 700012 Valued at cost	-	-
UNQUOTED		
Gretex Share Broking Private Limited (15,66,700 equity shares)	34,700,700.00	34,700,700.00
	34,700,700.00	34,700,700.00
6. LONG TERM LOANS AND ADVANCES		
Long Term Loans	1,245,250.00	1,162,000.00
	1,245,250.00	1,162,000.00



SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

	As at 31st March 2021	As at 31st March 2020
	Amount in Rs.	Amount in Rs.
7. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts		
HDFC Bank	9,539.91	2,731.81
Cash in Hand	101,311.00	151,311.00
	110,850.91	154,042.81
8. SHORT TERM LOANS AND ADVANCES		
Loans & Advances		
Advance Against Property-Gretex Corporate Services Private L	-	50,000.00
Other	50,000.00	-
Balances with Revenue Authorities	30,174.00	32,424.00
MAT Credit Entitlement Account	-	28,957.00
	80,174.00	111,381.00
9. OTHER INCOME		
Interest on TDS Refund	230.00	-
Interest Received	90,000.00	90,000.00
	90,230.00	90,000.00
10. EMPLOYEE BENEFIT EXPENSES		
Salary & bonus	-	-
	-	-
11. OTHER EXPENSES		
Payment to Auditor (Refer details below)	5,000.00	10,000.00
Annual Custody Fees	4,917.00	-
Certification charges	2,000.00	1,000.00
Demat Charges	-	1,000.00
Filing Fees	2,400.00	2,800.00
General Expenses	-	6,112.00
ROC Inspection Charges	300.00	-
Printing & Stationary	105.90	-
Custodian Fees	5,408.33	-
Interest Paid on Loans	8,430.00	-
Issuer Admission Processing Fees	17,700.00	-
Joining Fees	17,700.00	-
Rounded Off	0.67	-
	63,961.90	20,912.00



SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

	As at 31st March 2021	As at 31st March 2020
	Amount in Rs.	Amount in Rs.
(a) Details of Payments to Auditor		
As Auditor		
Statutory Audit	5,000.00	5,000.00
	5,000.00	5,000.00

12. EARNINGS PER SHARE (EPS)			
Net Profit After Taxation (in Rs.)	19,658.10	51,125.00	
No. of Shares	240,000	240,000	
Nominal Value of Shares (in Rs.)	10.00	10.00	
Basic Earnings Per Share (in Rs.)	0.08	0.21	
Diluted Earnings Per Share (in Rs.)	0.08	0.21	



SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

13.	RELATED PARTY DISCLOSURES
(a)	List of Related Parties Name of related parties with whom transactions have taken place during the year:
(i)	Key Management Personnel Arvind Harlalka Sumeet Harlalka Alok Harlalka Rajkumari Harlalka
(ii)	Enterprise where control exists Gretex Corporate Services Private Limited Ambition Tie-Up Pvt Ltd Apsara Selections Ltd Ambuja Technologies Private Limited Gretex Share Broking Private Limited
(iii)	Relatives of Key Management Personnel
(iv)	Other Related Parties



SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

(b)	Transactions with Related Parties	Related Parties			
	Particulars	Key Mgm. Personnel		Enterprise where control	
		2020-2021	2019-2020	2020-2021	2019-2020
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
	Current Investment				
	Gretex Share Broking Private Limited	-	-	34,700,700	34,700,700
	Advance Paid/ Recd				
	Alok Harlalka- Paid	1,020,000	1,039,500	-	-
	Alok Harlalka- Received		1,020,500		
	Sumit Harlalka	50,000	50,000		
	Pooja Harlalka	350,000	300,000		
	Gretex Corporate Services Private Limited			50,000	50,000
	Ambuja Technologies Private Limited			1,180,000	-
	Gretex Share Broking Private Limited			2,800,000	-
	Reimbursement of ROC Filing Fees				
	Arvind Harllalka	2,000	2,900	-	-
	Alok Harlalka	400	-	-	-
	Balance Outstanding at the year end				
	Payable				
	Alok Harlalka	-	1,020,000		
	Pooja Harlalka	-	300,000		
	Sumit Harlalka	-	50,000		
	Ambuja Technologies Private Limited			1,184,288	-
	Gretex Share Broking Private Limited			2,804,142	-
	Receivable				
	Gretex Corporate Services Private Limited			-	50,000
	Pooja Harlalka	50,000	-		



SANKHU MERCHANDISE PRIVATE LIMITED
CIN: U52190MH2011PTC269247

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

(c)	List of Holding, Subsidiary & Associate Company
	-Holding Company Nil
	-Subsidiary Company Nil
	-Associate Company Nil

14. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2) of Income tax Act'1961.

15. **PREVIOUS YEAR FIGURES**
The Company has reclassified, rearranged and regrouped the previous year figures in accordance with the requirements applicable in the current year.

For and on behalf of the

For Gupta Agarwal & Associates
Chartered Accountants
FRN: 329001E



(Jay Shanker Gupta)
Partner
Membership No. 059535
UDIN: 21059535AAAADW2056
Kolkata, 17.04.2021

SANKHU MERCHANDIES PVT. LTD.

Arvind Harlalka

Arvind Harlalka Director
(Director)
DIN: 00494136

SANKHU MERCHANDIES PVT. LTD.

Alok

Alok Harlalka Director
(Director)
DIN: 02486575

SANKHU MERCHANDISE PRIVATE LIMITED

Adress: Office No. 13, 1st Floor, Bansilal Mansion 9-15 Homi Modi Street, Fort

Mumbai Mumbai City MH 400023

Email: arvind@gretexgroup.com

CIN: U52190MH2011PTC269247

PAN: AAQCS5118Q

A.Y:

2021-22

Computation of Taxable Income for the year ended 31st March, 2021

	Particulars	Amount Rs.
(A)	Net profit as per P&L A/c	26,268.10
	Add:- Depreciation as Companies Act, 2013	-
		26,268.10
	Less: Depreciation as Income Tax Act, 1961	-
	Gross Total Income	26,268.10
	Net Total Income	26,268.00
		26,268.00
	Add:- Tax on Buiness & Profession	5,778.96
Add:- Surcharge @ 10%	577.90	
	6,356.86	
Add:- Health & Education Cess @4%	254.00	
	6,610.86	
	Total Tax Payable	6,610.86
(B)	Book Profit u/s 115JB of Income Tax	26,268.10
	Tax Thereon@ 15%	3,940.22
	Add:- Health & Education Cess @4%	158.00
	Total Tax Payable	4,098.22
	Tax Payable(Higher of A & B)	6,611
	Less: Tax Deducted at Source	6,750
	Net Tax payable/(Refundable)	(139)
Round off u/s 288B	(140)	



SANKHU MERCHANDISE PRIVATE LIMITED

CIN: U52190MH2011PTC269247

16. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

1. CORPORATE INFORMATION

Sankhu Merchandise Private Limited (the Company) is a private limited company originally incorporated under the Companies Act, 1956. The registered office of the Company has been change to Mumbai, Maharashtra from Kollkata, West Bengal w.e.f 27th May, 2016 vide order dated 28th July, 2015 of the Regional Director (ER) Kolkata. The Certification of Registration of Regional Director order for Change of State issued by Registrar of Companies, Mumbai pon 27th May, 2016.

2. BASIS OF PREPARATION

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India, in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounts) Rules, 2014. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates

The preparation of the Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates includes future obligation with respect to employees benefits, income taxes, useful lives of fixed assets etc. Although these estimates are based upon management's best knowledge of current events and actions actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

(b) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investment. Current investment are carried at lower of cost and fair value determined on an individual item basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

(c) Revenue Recognition

Income and expenditure is recognized and accounted for on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership to the customer and when no significant uncertainty exists regarding realisation of the consideration. Sales are recorded net of sales returns, sales tax/VAT, cash and trade discounts. Reconciliation of Revenue for the F.Y. 2020-21 with form 26AS has not been made as form 26AS for the F.Y. 2020-21 is not updated till the signing of financial statement.

(d) Earning Per Share

The Company reports Basic and Diluted earnings per equity share in accordance with the Accounting Standard - 20 on Earning Per Share. In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary/exceptional items. The number of shares used in computing basic earning



per share is the weighted average number of equity shares outstanding during the period. The numbers of shares used in computing diluted earning per share comprises the weighted average number of equity shares that would have been issued on the conversion of all potential equity shares. Dilutive potential equity shares have been deemed converted as of the beginning of the period, unless issued at a later date.

(e) **Provision for Current and Deferred Tax**

Provision for current Income Tax and Wealth Tax are made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

(f) **Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

