

# *Kumar Piyush & Co.*

CHARTERED ACCOUNTANTS

## Independent Auditor's Report

To the Members of Graphisads Private Limited

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **GRAPHISADS PRIVATE LIMITED** ('the Company'), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss then ended, cash flow statement and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- (c) in the case of the Statement of Cash Flow, of the cash flow for the year ended on that date and
- (d) in the case of the Statement of Change in Equity, of the change in equity for the year ended on that date;

#### Basis for Opinion

We conducted our audit of the standalone financial statements 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 the Standalone 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 standalone 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 standalone financial statements.



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## **Information Other than the Standalone Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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 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 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.



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## **Auditor's Responsibility**

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 standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

## **Report on Other Legal and Regulatory Requirements**

1. As required by The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss 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;

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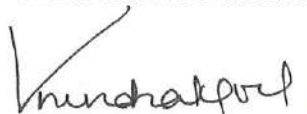
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- (e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and operating of such controls, refer to our separate report in Annexure "B" and;
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company have any pending litigating which would impact its financial impact. (Refer Note 39 forming part of the financial statement).
2. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

For Kumar Piyush & Co.  
Firm Registration No.: 005120N  
Chartered Accountants

  
Virendra Kumar Goel  
Partner

Membership No.: 083705  
UDIN: 19083705AAAAAP4487



Place: New Delhi

Date: 18/09/2019

Annexure "A"

**Annexure to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of **GRAPHISADS PRIVATE LIMITED** ('the Company'), on the financial statements for the year ended March 31, 2019 we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification
- (c) Subject to Note No. 40(i) forming part of the financial statements, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) The stock of inventories has been physically verified at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanation given to us, the procedures for physical verification of Inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of Inventories and no discrepancies were noticed on physical verification as compared with the books records our opinion and according to the information and explanation given.
- (iii) (a) The Company has not granted any loans secured or unsecured to companies, firms Limited Liabilities Partnerships or parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act). Consequently, the provisions of clauses 3(iii)(a) relating the terms and conditions of the grant of such loans (b) relating to the schedule of repayment and interest and receipts, and (c) relating to overdue amount, of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and the explanations given to us, the Company has given guarantee for loans taken by others from banks or financial institutions.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

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- (vi) As informed to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the activities carried on by the Company.
- (vii) (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representations, undisputed statutory dues in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, Good and Service Tax, duty of customs, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except the following:

Nature of Statute	Nature of The Dues	Amount (Rupees In Lakh)	Period to which the amount relates
Goods and Service Tax Act, 2017	Reversal of Goods and Service Tax Input claimed on account of non-payment of creditors upto March 31, 2019	57.45	2018-2019

- (b) According to the information and explanations given to us, there were no material dues of duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute as on 31.03.2019. However, the following are the particulars of disputed dues in respect of Service Tax:

Nature of Statute	Nature of The Dues	Amount (Rupees In Lakh)	Period to which the amount relates	Forum where Dispute is Pending
Custom Excise and Service Tax Act	Service Tax	Rs 66.85 (Demand was Rs 178.65 Lakh and Rs 111.80 Lakh has already been paid under protest)	Financial Year 2001-2002 to 2004-2005	Hon'ble Custom Excise and Service Tax Appellant Tribunal, New Delhi (The matter is sub-judice)

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According to the information and explanations given to us, the company has paid all undisputed dues of excise duty.

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.
- (ix) Since the company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loan during the year, hence this clause is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The Company has paid the managerial remuneration accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) Since the company is not a Nidhi Company hence, this clause is not applicable.
- (xiii) The Company has disclosed all transactions with the related parties in compliance with section 177 and 188 of the Companies Act, 2013 and all the details in the Standalone Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The Company has not entered any non cash transaction with directors or person connected with him.
- (xvi) The Company is not a Non Banking Finance Company which is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, this point is not applicable.

For Kumar Piyush & Co.

Firm Registration No.: 005120N

Chartered Accountants

*Virendra Kumar Goel*

Virendra Kumar Goel

Partner

Membership No.: 083705

UDIN: 19083705AAAAAP4487

Place: New Delhi

Date: 18/09/2019



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Annexure-"B"

## Annexure to the Independent Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of sub section 3 of Section 143, of The Companies Act, 2013 ("the Act")

In conjunction with our audit of the Financial Statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of GRAPHISADS PRIVATE LIMITED ("the Company"), as of that date.

#### Management's Responsibility for Internal Financial Controls

The Respective Board of Director of the Company 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. 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.



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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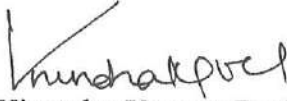
# ***Kumar Piyush & Co.***

CHARTERED ACCOUNTANTS

## **Opinion**

In our opinion, the Company, have in, 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 March 31, 2019, 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 Kumar Piyush & Co.  
Firm Registration No.: 005120N  
Chartered Accountants

  
Virendra Kumar Goel  
Partner



Membership No.: 083705  
UDIN: 19083705AAAAAP4687

Place: New Delhi

Date: 18/09/2019

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**GRAPHISADS PRIVATE LIMITED**

4/24A, A B HOUSE, ASAF ALI ROAD, NEW DELHI -110 002

BALANCE SHEET AS AT MARCH 31, 2019

PARTICULARS	Note No.	Figures as at the end of current reporting period (Rs.)	Figures as at the end of Previous reporting period (Rs.)
<b><u>I. EQUITY AND LIABILITIES</u></b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1A	19,235,000.00	19,235,000.00
(b) Reserves and Surplus	2	276,922,763.99	263,990,521.27
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	146,057,700.95	149,404,224.16
(b) Long term liabilities	4	3,057,557.00	2,848,881.00
(c) Long term provisions	5	51,925.00	51,925.00
(d) Deferred Tax Liability (Net)	6	6,848,176.91	8,901,102.84
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	7	189,979,629.93	215,607,926.03
(b) Trade Payables	8	286,692,901.33	196,876,117.34
(c) Other Current Liabilities	9	42,429,231.69	24,175,093.70
(d) Short-term provisions	10	5,163,499.18	6,012,478.89
<b>TOTAL</b>		<b>976,438,385.98</b>	<b>887,103,270.23</b>
<b><u>II. ASSETS</u></b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	216,733,008.93	199,100,183.86
(ii) Intangible Assets		1,155,416.92	1,058,353.45
(b) Non-Current Investments	12	5,720,000.00	5,720,000.00
(c) Long term Loans and advances	13	63,875,731.00	65,277,836.00
<b>(2) Current assets</b>			
(a) Inventory	14	14,189,217.06	21,284,470.00
(b) Trade Receivables	15	481,387,096.05	426,909,515.49
(c) Cash and Cash Equivalents	16	45,557,290.00	31,063,083.08
(d) Short term Loans and Advances	17	147,820,626.02	136,689,828.35
<b>TOTAL</b>		<b>976,438,385.98</b>	<b>887,103,270.23</b>

**SIGNIFICANT ACCOUNTING POLICIES**

1

The accompanying notes to accounts are integral part of Financial Statements  
As per our report of even date attached

For Kumar Piyush & Co.  
Chartered Accountants  
Firm Registration No.: 005120N

Virendra Kumar Goel  
Partner

Membership Number: 083705

UDIN.: 19083705AAAAA 24487

Place: New Delhi

Date: 18/05/2019

Mukesh Kumar Gupta  
Director  
DIN: 00093322

Alok Gupta  
Director  
DIN: 01456388



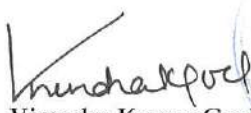
**GRAPHISADS PRIVATE LIMITED**  
**4/24A, A B HOUSE, ASAF ALI ROAD, NEW DELHI -110 002**

**PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Note No.	Figures as at the end of current reporting period (Rs.)	Figures as at the end of Previous reporting period (Rs.)
<b>Revenue</b>			
Revenue from Operations	18	930,807,602.23	906,759,736.84
Other Income	19	16,410,406.87	13,678,463.00
<b>Total Revenue</b>		<b>947,218,009.10</b>	<b>920,438,199.84</b>
<b>Expenses</b>			
Operating Expenses	20	792,875,476.56	757,384,695.69
Change in Inventory	21	7,095,252.94	-10,429,116.00
Employee Benefits Expenses	22	46,588,338.30	50,259,757.83
Finance cost	23	24,439,685.54	28,750,199.82
Other expenses	24	48,338,679.51	56,131,785.33
Depreciation & Amortisation Expenses	11	15,825,007.41	18,391,305.47
<b>Total Expenses</b>		<b>935,162,440.26</b>	<b>900,488,628.14</b>
<b>Profit before Tax and Exceptional items</b>		<b>12,055,568.84</b>	<b>19,949,571.70</b>
Exceptional items			
Prior Period Expenses/Depreciation		408,045.22	1,627,926.00
<b>Profit from ordinary activities before tax</b>		<b>11,647,523.62</b>	<b>18,321,645.70</b>
<b>Tax expenses</b>			
Earlier Year Short and Excess of taxes		906,362.11	207,113.89
Current Tax		5,163,499.18	6,012,478.89
Deferred Tax		2,052,925.93	1,294,512.78
<b>Net Profit for the period/year</b>		<b>7,630,588.26</b>	<b>11,221,767.92</b>
Earning Per Share (EPS)	30	39.67	58.34
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>		

*The accompanying notes to accounts are integral part of Financial Statements  
As per our report of even date attached*

For Kumar Piyush & Co.  
Chartered Accountants  
Firm Registration No.: 005120N

  
Virendra Kumar Goel  
Partner  
Membership Number: 083705  
UDIN.: 19083705AAAAA14487

Place: New Delhi  
Date: 18/09/2019



Mukesh Kumar Gupta  
Director  
DIN: 00093322

  
Alok Gupta  
Director  
DIN: 01456388

**GRAPHISADS PRIVATE LIMITED**  
**4/24A , A B HOUSE , ASAF ALI ROAD , NEW DELHI -110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019**

Particulars	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
<b>1A. SHARE CAPITAL</b>		
<b>Authorised</b>		
200,000 (200,000) (Equity Shares of Rs.100/- each)	20,000,000.00	20,000,000.00
	<b>20,000,000.00</b>	<b>20,000,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
1,92,350 (192350) Equity Shares of Rs.100/- each fully paid up.	19,235,000.00	19,235,000.00
	<b>19,235,000.00</b>	<b>19,235,000.00</b>
<b>a) Reconciliation of the number of shares outstanding</b>		
	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
	<b>No. of Shares</b>	<b>(Rs.)</b>
<b>Equity shares</b>	<b>No. of Shares</b>	<b>(Rs.)</b>
At beginning of the Year	192,350	19,235,000
Add: Issued during the year	-	-
Outstanding at the end of the Year	<b>192,350</b>	<b>19,235,000</b>
<b>b) Details of shareholders holding more than 5% shares in the company</b>		
	<b>No. of Shares</b>	<b>% held</b>
	<b>No. of Shares</b>	<b>% held</b>
Mr. Mukesh Gupta	113,400	58.96%
Mr. Alok Gupta	38,800	20.17%
Mrs. Padma Gupta	37,150	19.31%
	<b>189,350</b>	<b>93.0%</b>



*Mukesh*

*Alok*



**GRAPHISADS PRIVATE LIMITED**  
**4/24A , A B HOUSE , ASAF ALI ROAD, NEW DELHI -110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019**

Particulars	As at 31.03.2019 ( Rs )	As at 31.03.2018 ( Rs )
<b>2. RESERVES AND SURPLUS</b>		
<u>General Reserve</u>		
General Reserve	10,551,500.00	10,551,500.00
	<u>10,551,500.00</u>	<u>10,551,500.00</u>
<u>Profit and Loss account</u>		
As per last Balance Sheet	200,149,021.27	192,003,726.35
Add: Profit / (Loss) for the year	7,630,588.26	11,221,767.92
	<u>207,779,609.53</u>	<u>203,225,494.27</u>
<b>Add: Appropriations:</b>		
Add : Adjustment of Earlier year Income Tax Refund	3,333,163.00	
Less : Transferred to Surplus	220,956.84	3,103,103.00
Add : Transferred to Retained Earnings	2,189,448.30	26,630.00
	<u>213,081,263.99</u>	<u>200,149,021.27</u>
<u>Security Premium Reserves</u>		
As per last Balance Sheet	53,290,000.00	53,290,000.00
	<u>53,290,000.00</u>	<u>53,290,000.00</u>
<b>Total</b>	<u>276,922,763.99</u>	<u>263,990,521.27</u>



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**GRAPHISADS PRIVATE LIMITED**

4/24A , A B HOUSE , ASAF ALI ROAD, NEW DELHI -110 002

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019**

Particulars	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
<b>3. LONG TERM BORROWINGS</b>		
<b>Secured Loans</b>		
a) Vehicle Loans		
-Axis Bank	54,339.00	383,118.00
-HDFC Bank	906,119.34	2,146,087.79
-HDFC Bank	7,099,110.21	8,885,742.61
-ICICI Bank	-	442,357.00
(Vehicle loans are secured by way of hypothecation of vehicle acquired out of the loan proceeds)		
b) Housing Loans		
-ICICI Bank	13,400,000.00	13,400,000.00
-Bajaj Finance Ltd		-
-Deutsche Bank	119,053,050.38	122,646,918.76
(Housing loans are secured by way of hypothecation of house acquired out of the loan proceeds)		
c) Bank Guarantee		
The National Small Industries Corp Ltd	4,045,082.00	-
<b>Unsecured Loans</b>		
Sadhana Foundation	1,500,000.00	1,500,000.00
	146,057,700.93	149,404,224.16
<i>(Working capital borrowings are secured by hypothecation , first charge on current assets and book debts of the company. Further secured by way of personal guarantees of directors of the company and all the term deposits of the company and the directors of the company. Company has also given the counter gaurantee against the working capital borrowings by way of mortgage of immovable property of directors.)</i>		
<b>4. LONG TERM LIABILITIES</b>		
Trade Payables:		
Others:	3,057,557.00	2,848,881.00
	3,057,557.00	2,848,881.00
<b>5. LONG TERM PROVISIONS</b>		
Provision for Employee Benefits:		
Provision for Gratuity	51,925.00	51,925.00
Less- Paid during the year		
	51,925.00	51,925.00
<b>6. DEFERRED TAX LIABILITIES</b>		
Opening Balance	8,901,102.84	7,606,590.06
Add: Transferred from P& L a/c	-2,052,925.93	1,294,512.78
	6,848,176.91	8,901,102.84



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**GRAPHISADS PRIVATE LIMITED**

4/24A . A B HOUSE . ASAF ALI ROAD. NEW DELHI -110 002

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019**

Particulars	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
<b>7. Short Term Borrowings</b>		
<b>Secured</b>		
Working Capital Loans		
Cash Credit ( A/c No. 52505111973)	51,876,906.70	98,671,810.92
Over Draft( A/c No. 000033521910019)	91,485,245.80	61,178,459.99
Bill Discounting	5,390,503.43	7,272,541.12
<b>Unsecured</b>		
From Others:		
Abhishek Gupta	6,800,886.00	782,000.00
Alok Aggarwal	-	7,480,000.00
Alok Gupta	-	1,379,114.00
Divine Entertainment Ltd	9,200,000.00	9,200,000.00
Mukesh Gupta	25,178,217.00	29,344,000.00
Shilpa Gupta	47,871.00	300,000.00
	<b>189,979,629.93</b>	<b>215,607,926.03</b>
<b>8. Trade Payables</b>		
Trade Creditors	286,692,901.33	196,696,117.34
	<b>286,692,901.33</b>	<b>196,876,117.34</b>
<b>9. Other Current Liabilities</b>		
Advances From Customers	11,215,315.00	7,189,404.00
Cheques issued but not presented for payments-BOI	6,731,164.00	-
Deferred Income	4,387,851.00	4,387,851.00
ESI Payables	30,405.00	32,561.00
Expenses Payable	7,214,078.33	1,160,700.18
Professional Fee Payable	594,600.00	180,000.00
GST Payable	924,691.36	4,006,950.52
Provident Fund Payable	305,238.00	320,939.00
Salaries Payable	3,420,381.00	2,594,715.00
Security deposits received	3,401,587.00	3,015,367.00
TDS Payable	4,203,921.00	1,379,146.00
VAT Payable	-	87,460.00
	<b>42,429,231.69</b>	<b>24,175,093.70</b>
<b>10. Short-term Provisions</b>		
Provision for Income Tax	6,012,478.89	-
Add:Provision of tax during the year	5,163,499.18	6,012,478.89
	<b>11,175,978.06</b>	<b>6,012,478.89</b>
Less:Amount adjusted during the year	6,012,478.89	-
	<b>5,163,499.18</b>	<b>6,012,478.89</b>



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NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

Note 11: Tangible Assets as at March 31, 2019

Sl. No.	Particulars	Gross Block As at 01.04.2015 (Rs.)	Addition During The Year (Rs.)	Deletion During The Year (Rs.)	As at 31.03.2019 (Rs.)	Adjusted With Retain Earnings (Rs.)	Total Depreciation As At 31.03.19 (Rs.)	During The Year (Rs.)	Adjustment during the Year (Rs.)	Total Depreciation As At 31.03.19 (Rs.)	Adjusted During the Year Retain Earnings (Rs.)	Net Block WDV As At 31.03.2019 (Rs.)	Net Block WDV As At 31.03.2015 (Rs.)
<b>I TANGIBLE ASSETS</b>													
<b>A OFFICE EQUIPMENTS</b>													
	Air Conditioner	2,142,502.00	792,135.71	-	2,934,637.71	251,652.88	1,408,696.91	397,298.83	-	1,805,995.74	11,714.46	888,843.08	493,928.68
	Fan	77,809.00	25,000.00	-	102,809.00	22,492.29	31,672.26	8,952.65	-	40,624.91	-	19,945.80	3,898.45
	Camera	159,313.00	-	-	159,313.00	1,817.27	17,233.05	1,408.86	-	18,641.91	-	17,469.72	31,258.58
	Cold Chose	14,073,000.00	-	-	14,073,000.00	36,072.67	1,088,361.33	158,409.55	-	1,246,770.88	-	7,489.50	7,489.50
	Blender	1,360,000.00	-	-	1,360,000.00	-	1,433,633.91	1,433,633.91	-	2,867,267.82	-	1,766,661.74	351,638.82
	LED	1,532,653.00	203,117.19	-	1,735,770.19	40,827.56	394,238.97	801,239.56	-	1,200,978.53	341.86	171,844.79	250,287.49
	Mobile Phone	919,848.98	49,917.68	-	969,766.66	375.96	801,239.56	152,492.89	-	953,732.45	328.04	203,899.17	250,287.49
	Printer Equipments	898,905.00	90,900.00	-	989,805.00	18,332.06	176,130.01	176,130.01	-	364,262.07	-	102,126.52	56,897.94
	Scanner	178,130.00	-	-	178,130.00	3,538.57	17,995.00	17,995.00	-	39,600.00	-	14,001.54	23,157.11
	Software	17,985.00	15,999.00	-	33,984.00	7,773.81	12,665.25	11,987.00	-	24,652.25	1,613.93	20,164.86	5,014.16
	Fax Machine	20,800.00	-	-	20,800.00	2,328.00	11,987.00	11,987.00	-	23,974.00	-	1,040.16	1,881.03
	Fire Fighting Equipments	21,235.00	-	-	21,235.00	-	20,767.35	20,767.35	-	42,004.70	-	1,081.45	1,081.45
<b>B COMPUTER</b>													
	Computer	2,638,577.00	305,871.13	-	2,944,448.13	4,328.83	2,488,680.32	137,450.44	-	2,626,130.76	4,828.83	313,815.31	14,526.80
	Server	314,875.00	-	-	314,875.00	3,669.32	301,205.68	658,291.49	-	969,497.17	3,669.32	12,285.43	13,201.12
	Laptop	1,377,221.00	889,134.73	-	2,266,355.73	2,898.25	1,415,274.52	513,306.37	-	1,928,580.89	2,898.25	683,711.82	1,67,844.48
	Monitor	4,762,668.00	150,347.00	-	4,913,015.00	47,291.99	2,972,013.55	465,692.89	-	3,437,706.44	-	1,831,211.97	1,743,000.46
<b>D PLANT AND MACHINERY</b>													
	Generator	683,290.00	-	-	683,290.00	-	658,887.98	11,402.02	-	670,290.00	-	35,848.27	67,816.02
	Lift KVA	482,280.00	-	-	482,280.00	-	424,922.23	57,357.77	-	482,280.00	-	34,333.87	57,357.77
<b>E MOTOR VEHICLE</b>													
	Car	4,985,000.00	-	-	4,985,000.00	-	3,073,521.96	997,683.33	-	3,699,185.43	-	1,313,814.67	1,913,478.01
	Car	793,572.00	-	-	793,572.00	-	457,107.65	333,462.94	-	562,245.38	-	231,328.42	336,401.35
	TAKE 785 - IED	508,216.00	-	-	508,216.00	-	421,310.48	86,899.91	-	491,200.39	-	86,895.52	86,895.52
	Car - 120 DLSC/RW690	773,276.00	-	-	773,276.00	-	675,942.18	30,603.28	-	706,545.46	-	96,933.56	97,335.82
	Car - MARUTI VAN DLSC/19629	299,237.00	-	22,422.69	321,659.69	-	285,308.17	1,916.14	-	287,224.31	-	24,338.83	24,338.83
	VEHICLE	783,037.00	-	-	783,037.00	-	766,383.69	766,383.69	-	1,552,767.38	-	16,775.31	16,775.31
	Car - MARUTI VAN	263,689.00	-	-	263,689.00	-	240,812.44	10,368.80	-	274,181.23	-	32,676.56	32,676.56
	Car - MARUTI VAN	270,000.00	-	-	270,000.00	-	254,074.96	24,250.99	-	298,325.95	-	13,689.45	13,689.45
	Car - MARUTI VAN DLSC/85699	1,195,005.00	-	179,499.08	1,374,504.08	-	892,858.59	48,777.32	-	1,041,635.92	-	15,029.64	15,029.64
	Car - JAWBA	2,667.00	-	-	2,667.00	-	298,487.81	19,689.52	-	318,177.33	-	35,172.59	35,172.59
	SCOOTER - X BRIE	56,000.00	-	-	56,000.00	-	24,754.00	24,754.00	-	80,754.00	-	1,300.00	1,300.00
	Honda Amaze	26,007.00	-	-	26,007.00	-	24,754.00	24,754.00	-	50,758.00	-	3,803.00	3,803.00
	Maruti Vient	1,638,729.00	-	-	1,638,729.00	-	299,103.06	8,827.17	-	368,930.23	-	184,583.27	184,583.27
	Maruti Vient	4,052,673.00	-	-	4,052,673.00	-	3,580,272.93	15,392.53	-	4,035,665.46	-	544,513.55	544,513.55
	Mercedes (RS20)	11,481,009.00	-	-	11,481,009.00	-	1,792,758.52	23,486.45	-	13,273,767.52	-	1,619,745.84	2,354,732.28
	Active	64,000.00	-	-	64,000.00	-	7,896.45	13,886.57	-	21,783.02	-	6,662,183.07	9,698,249.44
<b>F WORK IN PROGRESS</b>													
	Director's car	15,143,997.00	-	-	15,143,997.00	-	-	-	-	-	-	15,143,997.00	15,143,997.00
	M-Shahmir Regd New Delhi	6,011,660.00	78,497.80	-	6,090,157.80	-	-	-	-	-	-	6,090,157.80	6,011,660.00
<b>G BUILDING</b>													
	Residential Building (Dwarka)	10,037,643.00	-	-	10,037,643.00	-	1,289,422.73	424,601.36	-	1,714,024.09	-	8,323,618.91	8,713,922.27
	Residential Building (Dwarka)	97,406,921.18	-	-	97,406,921.18	-	24,450,481.88	3,430,713.40	-	27,881,195.28	-	69,525,725.90	67,009,570.30
	Plot Dwarka/1, Road nos - 370	23,761,000.00	-	-	23,761,000.00	-	-	-	-	-	-	23,761,000.00	23,761,000.00
	Land Dwarka/1	48,030,269.20	-	-	48,030,269.20	-	-	-	-	-	-	48,030,269.20	48,030,269.20
	Office Sector Mall	2,127,068.00	-	-	2,127,068.00	-	774,793.89	74,472.13	-	849,266.03	-	1,277,801.97	1,302,537.11
	ERECTOR BOARDING SITES	95,257,481.00	2,830,000.00	-	98,087,481.00	-	61,712,193.11	4,779,662.74	2,178,507.81	64,291,340.05	30,796,781.95	33,543,286.88	33,543,286.88
	TOTAL	313,511,291.36	31,197,339.41	161,831.77	344,546,919.00	440,653.86	113,997,909.34	15,565,366.13	2,178,507.81	127,484,867.65	26,629.37	216,733,088.93	199,100,133.39
<b>H INTANGIBLE ASSETS</b>													
	Computer Software	5,983,368.00	3,57,230.00	-	6,560,598.00	4,096.13	4,926,944.40	238,641.29	-	5,165,585.69	-	1,395,012.31	1,698,333.45
	TOTAL	5,983,368.00	3,57,230.00	-	6,560,598.00	4,096.13	4,926,944.40	238,641.29	-	5,165,585.69	-	1,395,012.31	1,698,333.45
	GRAND TOTAL	319,500,599.36	31,522,279.41	161,831.77	350,984,609.00	444,750.02	118,924,853.78	15,804,017.46	2,178,507.81	132,650,427.34	26,629.37	218,126,177.86	200,798,536.84



**GRAPHISADS PRIVATE LIMITED**

4/24A , A B HOUSE , ASAF ALI ROAD, NEW DELHI -110 002

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2019

Particulars	As at	As at
	31.03.2018 (Rs.)	31.03.2018 (Rs.)
<b>12. Non Current Investments</b>		
Shares		
Subsidiary		
Spike Advertising Private Limited	5,000,000.00	5,000,000.00
Clean India Ventures Private Limited	635,000.00	635,000.00
Other		
Let's Afford Home Solutions Private Ltd	85,000.00	85,000.00
	<b>5,720,000.00</b>	<b>5,720,000.00</b>
<b>13. Long term Loans and Advances</b>		
(Unsecured, considered good unless stated otherwise)		
Earnest Money / Security Deposit	15,546,400.00	13,873,337.00
Advance Against Property	48,329,331.00	51,404,499.00
	<b>63,875,731.00</b>	<b>65,277,836.00</b>
<b>14. Inventory</b>		
Stock in Trade	14,189,217.06	21,284,470.00
	<b>14,189,217.06</b>	<b>21,284,470.00</b>
<b>15. Trade Receivables</b>		
(Unsecured, considered good unless stated otherwise)		
Exceeding six months:		
Considered Good	149,310,525.29	154,808,953.49
Considered Doubtful	63,091,663.00	37,707,929.00
	<b>212,402,188.29</b>	<b>192,516,882.49</b>
Others		
Considered Good		234,392,633.00
	<b>268,984,907.76</b>	
	<b>481,387,096.05</b>	<b>426,909,515.49</b>
<b>16. Cash and Cash Equivalents</b>		
Balances with Banks:		
On Current accounts	1,794,707.59	5,096,595.17
On Deposits	41,958,970.91	22,203,944.91
Cash In Hand	1,803,611.50	3,762,543.00
	<b>45,557,290.00</b>	<b>31,063,083.08</b>
<b>17. Short Term Loans and Advances</b>		
(Unsecured, considered good unless stated otherwise)		
Accrued incentive	9,500,000.00	9,500,000.00
Advance to suppliers	34,162,977.88	31,987,337.00
Advance for Purchase/Expenses	19,692,871.00	-
Advances to employees	1,307,174.00	1,850,145.00
Deposit with Service Tax Department	7,180,910.00	-
Earnest Money / Security Deposit	6,955,174.00	11,442,430.00
Imprest Account	26,402.00	485,659.00
Income Tax Refund Receivable	23,606,990.00	18,709,108.00
Interest Accrued on Fixed Deposit	1,968,378.81	1,562,573.95
Other Loans & advances	19,114,513.35	18,898,750.00
Prepaid Expenses	4,688,428.00	24,763,692.40
TDS Receivables	19,355,512.98	17,228,839.00
TDS Receivables Under DVAT	261,294.00	171,806.00
VAT Receivable	-	89,488.00
	<b>147,820,626.02</b>	<b>136,689,828.35</b>



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**GRAPHISADS PRIVATE LIMITED**

4/24A , A B HOUSE , ASAF ALI ROAD, NEW DELHI -110 002

NOTES TO ACCOUNTS FORMING PART TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Year Ended 31.03.2019 (Rs.)	Year Ended 31.03.2018 (Rs.)
<b>18. Revenue from Operations</b>		
Advertisement receipts	1,022,599,189.94	1,011,527,527.35
Commission- Print Media	-	98,901.00
Designing & Production	6,536,686.00	4,256,999.00
VAT Sales	-	16,336,267.00
<b>Total</b>	<b>1,029,135,875.94</b>	<b>1,032,219,694.35</b>
Less :Trade Discount	(63,877,245.29)	(64,181,758.22)
Less :Treaty Sales	(34,451,028.42)	(61,278,199.29)
	<b>930,807,602.23</b>	<b>906,759,736.84</b>
<b>19. Other Income</b>		
Fluctuation in foreign Currency	-	6,532.00
Interest Received - Others	2,431,585.00	1,274,460.00
Interest Received on FDR	2,370,646.94	2,346,441.00
Miscellaneous Expenses Written off	2,088,557.00	-
Miscellaneous Income	9,121,849.71	9,493,732.00
Profit/(Loss) on sale of fixed assets	102,168.22	-
Rental Income	295,600.00	388,500.00
Scrap Sales	-	51,420.00
Transaction Fees	-	117,378.00
	<b>16,410,406.87</b>	<b>13,678,463.00</b>



*K. Prakash*

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**GRAPHISADS PRIVATE LIMITED****4/24A , A B HOUSE , ASAF ALI ROAD, NEW DELHI -110 002****NOTES TO ACCOUNTS FORMING PART TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Year Ended 31.03.2019 (Rs.)	Year Ended 31.3.2018 (Rs.)
<b>20. Operating Expenses</b>		
Cost of Advertisement	573,046,556.83	709,265,398.41
License fee	11,865,393.00	16,990,085.00
Outdoor media display charges	236,811,530.85	136,261,312.79
Production Expenses	5,603,024.30	2,661,537.00
VAT Purchases	-	17,666,320.00
<b>Total</b>	<b>827,326,504.98</b>	<b>882,844,653.20</b>
Less :Trade Discount	-	(64,181,758.22)
Less :Treaty Purchase	(34,451,028.42)	(61,278,199.29)
	<b>792,875,476.56</b>	<b>757,384,695.69</b>
<b>21. Change in Inventory</b>		
Opening Stock	21,284,470.00	10,855,354.00
Less: Closing Stock	14,189,217.06	21,284,470.00
	<b>7,095,252.94</b>	<b>(10,429,116.00)</b>
<b>22. Employee Benefits Expenses</b>		
Salaries Wages and Allowances	35,668,737.00	40,251,139.96
Directors Remuneration	6,720,000.00	6,000,000.00
Contribution to Provident Fund	1,806,890.00	2,033,069.00
Contribution to ESI	267,901.00	293,717.00
Gratuity	358,269.00	205,096.00
Staff Welfare expenses	1,766,541.30	1,476,735.87
	<b>46,588,338.30</b>	<b>50,259,757.83</b>
<b>23. Finance Cost</b>		
Bank Charges	709,291.91	440,723.44
Processing Fees	430,772.00	753,150.00
Interest Expenses	23,299,621.63	27,556,326.38
	<b>24,439,685.54</b>	<b>28,750,199.82</b>
<b>24. Other Expenses</b>		
Audit fees	650,000.00	700,000.00
Business Promotion	4,647,295.44	8,756,384.85
Administrative and other expenses	43,041,384.07	46,675,400.48
	<b>48,338,679.51</b>	<b>56,131,785.33</b>



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Annexure to Pt.no.24

<b>Administrative and other expenses</b>		
Accreditation Charges	12,000.00	8,000.00
Advertisement Expenses	51,643.00	66,805.00
Books and Periodicals	28,852.00	39,261.00
Business Support	3,000,000.00	432,000.00
Commission and Brokerage	1,324,568.25	2,684,222.00
Computer Repairs and Maintenance	77,711.06	64,926.41
Conference, Seminar and Training	52,673.74	533,442.90
Consultancy Charges	1,719,490.00	1,636,047.00
Conveyance	569,668.00	643,217.00
Courier Expenses	39,627.00	53,605.00
Diwali and Festival Expenses	156,888.86	536,852.00
Donation	-	656,100.00
Electricity Charges	1,732,873.33	2,183,577.09
Filing Fees	33,200.00	124,800.00
Freight Charges	76,662.00	32,682.00
Generator Running Expenses	22,065.00	3,922.00
GST unclaimed	46,047.21	-
Insurance Expenses	841,995.20	1,851,837.00
Interest on delay payment of TDS	283,445.00	193,566.00
Interest on delay payment of VAT	16,173.00	-
Interest Paid on GST	57,272.00	-
Interest paid to others	-	870,723.00
Internet Expenses	9,720.00	54,643.18
Krishi kalyan Cess	-	8,129.00
Labour Cess	44,242.00	92,310.00
Late Fee on GST	39,050.00	6,300.00
Legal and Professional Charges	2,577,501.00	440,000.00
Loss on sale of Flat	301,498.00	-
Membership and Subscription Fee	674,611.00	867,217.00
Miscellaneous Balance Written Off	92,595.67	199,694.38
Miscellaneous Expenses	1,178,528.58	1,345,995.58
Office Rent	6,208,076.00	6,635,172.00
Postage	7,728.00	9,946.00
Printing and Stationery	460,471.58	443,358.60
Professional Charges	13,149,335.00	16,279,645.00
Rates and Taxes	39,504.00	159,926.25
Rent - Tempo	694,000.00	765,000.00
Repair and Maintenance	627,116.06	819,393.54
Swachh Bharat Cess	-	387,782.61
Telephone Expenses	654,720.62	842,904.55
Tender / Empanelment / Registration Fee	573,016.15	448,202.69
Travelling Expenses	2,952,304.24	2,600,538.78
Vehicle Running and Maintenance Exp.	2,351,495.52	1,522,746.02
Water Cess	-	4,743.00
Water Charges	247,499.00	90,421.00
Webhosting Charges	-	28,045.00
Website Charges	15,517.00	7,700.90
	<b>43,041,384.07</b>	<b>46,675,400.48</b>



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**GRAPHISADS PRIVATE LIMITED**

**Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

**NOTE - 1 BACKGROUND AND SIGNIFICANT ACCOUNTING POLICIES**

**I. BACKGROUND**

Graphisads Private Limited ("the Company") is a company registered under the Companies Act, 1956. The company is primarily engaged in the business of advertising agency in Publication, outdoor media and Event Management and Exhibition since its incorporation. It has invested in wholly owned Subsidiary Company M/s Spike Advertising Private Limited which is engaged in the business of Advertising agency. During the year, the company has made investment in its Subsidiary Company M/s Clean India Private Limited which is engaged in the business of Environment.

**II. SIGNIFICANT ACCOUNTING POLICIES**

**a) CONVENTION**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards, generally accepted accounting principles and relevant presentational requirements of the Companies Act, 2013. Incomes and expenditures have been accounted for on accrual basis.

**b) USE OF ESTIMATE**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include estimated useful life of fixed assets and provision for doubtful debts. Actual results could differ from these estimates and any changes in estimates are recognized prospectively.

Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated.

**c) CONTINGENCIES**

A provision is created when there is a 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 the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



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**GRAPHISADS PRIVATE LIMITED**

**Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

**d) REVENUE RECOGNITION**

Income from advertisement is recognized to the extent, the advertisement is published in the publications. Sales are recognized at the point of services provided to the customers and are net of Service Tax.

**e) INVENTORIES**

1. Stock of raw material is valued at cost.
2. Stock of finished goods and raw material is valued at cost or Net Realisable Value whichever is lower. The valuation of stock is verified by the management.
3. The costs of purchase consist of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.
4. Machinery spares whose use is expected to be regular is treated as inventory.

**f) CASH AND CASH EQUIVALENTS**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

**g) CASH FLOW STATEMENTS**

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The cash flows from operating, investing and financing activities of the company are segregated on the available information.

**h) FIXED ASSETS/INTANGIBLE ASSETS**

**Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes and other incidental expenses.

**Intangible Assets**

Intangible assets are recognized if:

- it is probable that the future economic benefits that are attributable to the Assets will flow to the company, and
- the cost / fair value of the assets can be measured reliably.



*Prakash*

*Abh*



**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

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Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular; such machinery spares are capitalized.

**i) DEPRECIATION**

The Company has provided depreciation on Written Down Value Method in accordance with the rate prescribed under Part "C" of Schedule II of The Companies Act, 2013.

**j) FOREIGN CURRENCY TRANSACTIONS**

Foreign Exchange transactions during the year are recorded at the exchange rate prevailing on the dates of the transactions. Gain or losses out of fluctuations in rate between transaction date and settlement date in respect of revenue and expenses items are recognized to the Profit & Loss account except those relating to acquisition of fixed assets, which are adjusted in the carrying cost of the respective fixed assets.

**k) INVESTMENTS**

Current investments are valued at lower of cost or fair market value, and long-term investments are stated at cost in accordance with Accounting Standard - 13 on "Accounting for Investments" issued by the Institute of Chartered Accountants of India. Provision for diminution in the value of long-term investments shall be made only if such a decline is other than temporary.

**l) BORROWING COSTS**

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of cost of such assets till such time assets become ready for their intended use. All other Borrowing costs are recognized as expenses in the year in which they are incurred

**m) IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.



*Pankaj*

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**GRAPHISADS PRIVATE LIMITED**

**Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

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**n) EARNINGS PER SHARES**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period end, except where the results would be anti-dilutive.

**o) DEFERRED TAX**

Deferred tax is recognized, on timing difference, being the difference between taxable and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. Deferred assets in respect of unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

**p) INCOME TAXES**

Tax expense comprises of current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.



*Piyush*

*Adh*



**GRAPHISADS PRIVATE LIMITED**

**Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

**25. CASH FLOW STATEMENT**

As per the requirement of Accounting Standard 3 "Cash Flow Statement" the company is required to prepare the Cash Flow Statement with the Financial Statements. And the company is preparing the Cash Flow statement with the Indirect Method provided in the Accounting Standard - 3.

**26. EMPLOYEE BENEFITS**

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

The company is provided the provision for short term employee benefits such as wages, salaries, paid annual leaves etc. in the year in which they provide the services.

The company is not providing the provision for long term employee benefits and post employment benefits like Gratuity for the employees.

**27. BORROWING COSTS**

As per Accounting Standard 16 "Borrowing Costs" the company is not having any loans against the capital assets but the company having the general loan but there is no capital asset which is lying idle after purchasing of it, so, there is no issue of capitalizing that interest expenses and other borrowing cost related to the loan.

**28. RELATED PARTY DISCLOSURES:**

**A. Key Management Personnel:**

Sl. No	Particulars	Relationship
1.	Mr. Mukesh Gupta	Director
2.	Mr. Alok Gupta	Director

**B. Holding Company/ Subsidiary Company**

Sl. No	Particulars	Relationship
1.	Spike Advertising Private Limited	Wholly Owned Subsidiary Company
2.	Clean India Private Limited	Subsidiary Company

**C. Enterprises under the control of the Key Management Personnel and their relatives:**

Sl. No	Particulars
1	MI Aviation Private Limited
2.	Bundella Fincap Limited
3.	GA Exim Private Limited
4.	Deftech Services Private Limited
5.	Nirvana Communications Private Limited
6.	Swachhgrahi Foundation



*Mukesh*

*Alok*

**GRAPHISADS PRIVATE LIMITED**

Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019****D. Balances outstanding/ transactions with related parties:-**

Transaction / Outstanding Balance	Key Management Personnel, their relatives and Control Enterprises	Holding company/ Subsidiary of Holding company	Total
	Current year (Rs.)	Current year (Rs.)	Current year (Rs.)
<b>I. Transactions during the year</b>			
a) Directors Remuneration Salaries and Benefits	97,20,000.00	Nil	97,20,000.00
b) Purchases of Goods	Nil	4,29,93,896.58	4,29,93,896.58
c) Sales of Goods	Nil	10,53,99,488.58	10,53,99,488.58
d) Business Support Services received	Nil	2,59,600.00	2,59,600.00
e) Commission Paid	3,40,000.00	Nil	3,40,000.00
Business Support Services Paid	20,00,000.00		20,00,000.00
f) Loan Taken	1,17,08,886.00	Nil	1,17,08,886.00
g) Loan Repaid	1,14,87,026.00	Nil	1,14,87,026.00

**29. SEGMENT REPORTING**

As per Accounting Standard 17 "Segment Reporting" the company is providing the services of Advertising Agency and the company is following one segment reporting format as regards to the risk and return of the business.



*Prash*

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**GRAPHISADS PRIVATE LIMITED**

Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019****30. EARNINGS PER SHARE**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Net profit / (loss) for the year (Rs.)	76,30,588.26	1,12,21,767.92
Amount available for equity share holders (A) (Rs.)	76,30,588.26	1,12,21,767.92
Weighted average number of shares (B)	1,92,350	1,92,350
Basic and diluted earnings per share (A/B) (Rs.) (Face value Rs. 10/- per share)	39.67	58.34

The Company does not have any outstanding dilutive potential equity share. Consequently, the basic and diluted earning per share remains the same.

**31. DEFERRED TAX (ASSETS/LIABILITIES)**

As per Accounting Standard 22 "Accounting for Taxes on Income" the disclosure of Provision of Deferred Tax are as follows:

The item wise details of deferred tax Liabilities (net of Assets) are as under:

**Deferred Tax Liability / (Assets)**

Particulars	Amount (Rs.)
Depreciation as per The Companies Act, 2013	15,825,007.41
Depreciation as per Income Tax Act, 1961	16,489,894.00
Difference (DTA)	(664,886.59)
Add: Reversal of GST on account of non payment of creditors within six month	5,745,495.00
Net Difference	6,410,381.59
Deferred Tax Assets/(Liabilities) created during the year	1,783,368.16
Deferred Tax Assets/(Liabilities) created during the year on Long Term Capital Loss	269,557.77
	<b>2,052,925.93</b>
Opening Balance of Deferred Tax	8,901,102.84
<b>Closing Balance of Deferred Tax</b>	<b>6,848,176.91</b>



*Prakash*

*Abhishek*

**GRAPHISADS PRIVATE LIMITED**

Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019****32. INCOME IN FOREIGN CURRENCY**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Total	Nil	Nil

**33. EXPENDITURES IN FOREIGN CURRENCY**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Foreign Travel	Nil	Nil
Total	Nil	Nil

**34. AUDITORS REMUNERATIONS (EXCLUDING GOODS AND SERVICE TAX)**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	5,50,000.00	5,50,000.00
Tax Audit Fees	1,50,000.00	1,50,000.00
Other Matter	Nil	Nil
Total	7,00,000.00	7,00,000.00

**35. MICRO SMALL AND MEDIUM ENTERPRISES**

The Company is a Small and Medium Company ("Non SMC") in accordance with the Companies (Accounting Standards) Rule, 2006 issued by the Central Government vide a notification dated 7 December 2006 which is effective for all accounting periods commencing on or after 7 December 2006. Also, the Company is Level I entity accordingly the all the accounting standard are applicable on the company.

36. Working capital borrowings are secured by hypothecation, first charge on current assets and book debts of the company. Further secured by way of personal guarantees of directors of the company and all the term deposits of the company and the directors of the company. Company has also given the counter guarantee against the working capital borrowings by way of mortgage of immovable property of directors.
37. Balances of Creditors, Debtors and other parties are subject to confirmation by the respective parties and reconciliation, if any, will be carried out in the current financial year.
38. In the opinion of the Board of Directors, all known liabilities have been provided for and to the best of their knowledge and belief, the value of realization of current assets, loans and advances in the ordinary course of the business will not be less than the amount at which they are stated in the balance sheet.





**GRAPHISADS PRIVATE LIMITED**

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**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

**39. Contingent Liabilities not provided for:**

A notice for recovery of Service Tax, Interest and Penalty of Rs 1,78,65,583 for the period 2001-2002 to 2004-2005 issued the Service Tax Department against which the Company had already paid a sum of Rs. 40,00,000/- under protest vide challan number 50032, 50033, 50034 and 50035 on 13.10.2008.

The Company has further deposited a sum of Rs. 71,80,910/- (the breakup of which is given below) with Service Tax Department upto March 31, 2019 and the same amount has been shown as "Deposit with Service Tax Department" under note 17-" Short Term Loan and Advances" forming part of the financial statement as at March 31,2019.

Challan No.	Date	Amount (Rs.)
00093	07.01.2019	5,00,000.00
00049	15.01.2019	10,89,455.00
00013	11.03.2019	8,00,000.00
092232	28.03.2019	47,89,455.00
092233	28.03.2019	2,000.00
<b>Total</b>		<b>71,80,910.00</b>

The Company has filed Appeal before the Hon'ble Custom Excise and Service Tax Appellant Tribunal, R K Puram, New Delhi against the above said demand on 18.03.2019 and which is still pending for adjudication.

**40. FIXED ASSETS/DEPRECIATION**

- (i) The residential building shown in fixed assets situated at A-1/85, Panchsheel Enclave, New Delhi is registered in the name of the directors of the company. The plot situated at AG-575, Shalimar Bagh, New Delhi measuring 70 square meters on which work in progress has been shown in Fixed Assets is registered in the name of the relative of director of the company.
- (ii) The Company has revised the estimate of life of Erection Hoarding Sites from Five years to Ten Years retrospectively. The effect of such change in estimate of life of Erection Hoarding Sites is as under:
- (a) Reserve and Surplus is increased by Rs. 21,78,507.81 and  
(b) Cost of Intangible Assets is increased by Rs. 21,78,507.81.



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**GRAPHISADS PRIVATE LIMITED**

**Registered Office: AB HOUSE, 4/24A, ASAF ALI ROAD, NEW DELHI - 110 002**

**NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2019**

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41. These financial statements have been prepared in the format prescribed by the Revised Schedule III to The Companies Act, 2013 and accordingly previous year figures have been recasts/restated to confirm toward classification of the current year.
42. Note No. 1 to 41 form an integral part of the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement and have been duly authenticated.

*As per our report of even date attached*

For Kumar Piyush & Co.  
Chartered Accountants  
Firm Registration No.: 005120N

  
VIRENDRA KUMAR GOEL

Partner  
Membership No.: 083705  
UDIN: 19083705AAAAAP4487





(Mukesh Gupta)  
Director  
DIN: 00093322



(Alok Gupta)  
Director  
DIN: 01456388

Place: New Delhi

Dated: 18/09/2019