

# **Radiance EPC Private Limited**

**3rd ANNUAL REPORT**

**2018- 2019**



**B. THIAGARAJAN & Co.**  
CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**RADIANCE EPC PRIVATE LIMITED**

### Report on the Financial Statements

1. We have audited the accompanying financial statements of **RADIANCE EPC PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and the summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss and cash flows for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Key audit matters**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

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

7. The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.
8. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
9. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
10. 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**

11. 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 preparation 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.



12. 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 preventing and deducting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.
13. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
14. The boards of directors are also responsible for overseeing the Company's financial reporting process.

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

15. 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.



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

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



17. 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.
18. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

19. 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 paragraphs 3 and 4 of the Order, to the extent applicable.
20. 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 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 appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014;



- e. On the basis of the written representation received from the directors, as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of sub section (2) of section 164 of the Act.
- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Separate Report in **Annexure B**;
- g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to the explanation given to us:
1. The Company has does not have any pending litigation having impact on its financial statement.
  2. The Company does not have any long-term contracts including derivative contracts and consequently there is no requirement to make any provision, as required under the applicable law or Accounting Standards, for material foreseeable losses.
  3. There were no amounts which were required to be transferred to the investor's education and protection fund by the Company.

For B Thiagarajan & Co.  
Chartered Accountants  
Firm Regn. No. 004371S



  
Ram Srinivasan  
Partner  
M No. 220112

Place: Chennai  
Date: 31-Aug-19

UDIN: 19220112AAAAAM2541

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

*(Referred to in paragraph 19 under "Report on other legal and regulatory requirements" of our report of even date)*

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification adopted by the company and no material discrepancies were noticed on such verification. In our opinion, frequency of verification is reasonable, having regard to the size of the company and nature of business.  
  
(c) According to the information and explanations given to us and on the basis of our examinations of the records of the company, the company does not hold any immovable properties during the year and hence this clause is not applicable.
2. *The Company is in the process of updating its consumption records relating to sale of food items and in light of the above we are unable to express an opinion as to whether any adjustments would be required in the books of accounts and if such adjustments are material in nature.*
3. As per information furnished to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments, loans, guarantees or securities, as applicable.
5. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to deposits accepted from public are not applicable.
6. According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of the activities carried out by the company



7. (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, and records, the company has been generally regular in depositing undisputed statutory dues to Goods and Services Tax, Income tax, and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed demands in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanations given to us, there are no disputed demands in respect of Income tax, Goods and Services Tax and other material statutory dues as applicable, which are required to be deposited with the relevant statutory authority as at 31<sup>st</sup> March, 2019.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of dues to banks. The company has not taken any other loan either from financial institutions or from the government and has not issued any debentures.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.
10. Based on our verification and according to the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanation given by the management, Section 197 read with schedule V to the Companies Act is not applicable to the company. Accordingly, Clause 3(xi) of the order is not applicable.
12. In our opinion, and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



14. In our opinion and according to the information and explanations given to us, the Company has made not any preferential allotment to the existing shareholders during the year and accordingly compliance with the requirement of Section 42 of the Companies Act, 2013 is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with the directors or persons connected with him. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company
16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Chennai  
Date: 31-Aug-19



For B Thiagarajan & Co.  
Chartered Accountants  
Firm Regn. No. 004371S

  
Ram Srinivasan  
Partner  
M No. 220112

UDIN: 19220112 AAAAAAM2541

## **ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

*(Referred to in paragraph 20(f) under Report on other legal and regulatory requirements of our report of even date)*

### **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 **RADIANCE EPC PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" 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 judgement, 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 error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 B Thiagarajan & Co.  
Chartered Accountants  
Firm Regn. No. 004371S



  
Ram Srinivasan  
Partner  
M No. 220112

Place: Chennai  
Date: 31-Aug-19

UDIN: 19220112AAAAAM2541

**RADIANCE EPC PRIVATE LIMITED**

Annual Report 2018-19

CIN:U74110TN2016PTC104899

6th Floor, Khivraj Complex, 480, Anna Salai, Nandanam, Chennai 600035

Balance Sheet as at 31st March 2019

|                                |       | Amounts in ₹            |                         |
|--------------------------------|-------|-------------------------|-------------------------|
|                                | Notes | As at<br>31-Mar-2019    | As at<br>31-Mar-2018    |
| <b>EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>Shareholders Funds</b>      |       |                         |                         |
| Share Capital                  | 2     | 1,00,000                | 1,00,000                |
| Reserves and Surplus           | 3     | (77,23,285)             | (41,72,378)             |
|                                |       | <u>(76,23,285)</u>      | <u>(40,72,378)</u>      |
| <b>Non-Current Liabilities</b> |       |                         |                         |
| Long Term Borrowings           | 4     | 111,85,649              | 76,81,616               |
|                                |       | <u>111,85,649</u>       | <u>76,81,616</u>        |
| <b>Current Liabilities</b>     |       |                         |                         |
| Trade Payables                 | 5     | 19,66,507               | 14,26,268               |
| Other Current Liabilities      | 6     | 2,33,701                | 1,04,159                |
|                                |       | <u>22,00,208</u>        | <u>15,30,427</u>        |
| <b>TOTAL</b>                   |       | <u><u>57,62,572</u></u> | <u><u>51,39,665</u></u> |
| <b>ASSETS</b>                  |       |                         |                         |
| <b>Non-Current Assets</b>      |       |                         |                         |
| Property, Plant and Equipment  | 7     | 20,64,176               | 23,27,293               |
| Net Deferred Tax Asset         | 8     | 3,03,227                | 24,774                  |
| Long-Term Loans and Advances   | 9     | 23,68,831               | 24,04,642               |
|                                |       | <u>47,36,234</u>        | <u>47,56,709</u>        |
| <b>Current Assets</b>          |       |                         |                         |
| Inventories                    | 10    | 2,51,191                | 2,03,828                |
| Trade Receivables              | 11    | 98,712                  | 55,624                  |
| Cash and Cash Equivalents      | 12    | 1,42,876                | 90,833                  |
| Short Term Loans and Advances  | 13    | 5,33,557                | 32,671                  |
|                                |       | <u>10,26,336</u>        | <u>3,82,956</u>         |
| <b>TOTAL</b>                   |       | <u><u>57,62,572</u></u> | <u><u>51,39,665</u></u> |

Significant Accounting Policies

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Other notes and disclosures

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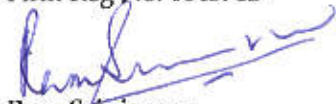
The accompanying notes thereon form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For B. Thiagarajan &amp; Co.

Chartered Accountants

Firm Reg No: 004371S



Ram Srinivasan

Partner

M.No. 220112

Place - Chennai

Date - 31-Aug-19



For Radiance EPC Private Limited



K V Midhun

Director

DIN : 6504014



K Vijayakumar

Director

DIN : 6996421



UDIN: 19220112AAAAAM2541

**RADIANCE EPC PRIVATE LIMITED**

Annual Report 2018-19

CIN:U74110TN2016PTC104899

6th Floor, Khivraj Complex, 480, Anna Salai, Nandanam, Chennai 600035

**Statement of Profit and Loss for the Year Ended 31st March 2019**

|                                                                     |       | Amounts in ₹              |                           |
|---------------------------------------------------------------------|-------|---------------------------|---------------------------|
|                                                                     | Notes | Year Ended<br>31-Mar-2019 | Year Ended<br>31-Mar-2018 |
| <b>INCOME</b>                                                       |       |                           |                           |
| Revenue from Operations                                             | 14    | 164,61,258                | 5,19,009                  |
| <b>Total Revenue</b>                                                |       | <b>164,61,258</b>         | <b>5,19,009</b>           |
| <b>EXPENSES</b>                                                     |       |                           |                           |
| Cost of Materials Consumed                                          | 15    | 56,63,439                 | 11,62,422                 |
| Employees benefit Expenses                                          | 16    | 60,06,825                 | 15,82,776                 |
| Finance cost                                                        | 17    | 3,43,218                  | 31,433                    |
| Depreciation                                                        | 7     | 15,90,758                 | 3,47,748                  |
| Other expenses                                                      | 18    | 66,86,378                 | 15,91,782                 |
| <b>Total Expenses</b>                                               |       | <b>202,90,618</b>         | <b>47,16,161</b>          |
| <b>PROFIT BEFORE TAX</b>                                            |       | <b>(38,29,360)</b>        | <b>(41,97,152)</b>        |
| Less: Tax Expenses:                                                 |       |                           |                           |
| Current Tax                                                         |       | -                         | -                         |
| Less: MAT Credit entitlement                                        |       | -                         | -                         |
| <b>Net Current Tax</b>                                              |       | <b>-</b>                  | <b>-</b>                  |
| Deferred Tax Expense/(Income)                                       |       | (2,78,453)                | (24,774)                  |
| <b>Total Tax Expenses</b>                                           |       | <b>(2,78,453)</b>         | <b>(24,774)</b>           |
| <b>NET PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>           |       | <b>(35,50,907)</b>        | <b>(41,72,378)</b>        |
| Profit/Loss from Discontinuing Operations                           |       | -                         | -                         |
| Tax Expense of Discontinuing Operations                             |       | -                         | -                         |
| Profit/ (Loss) from Discontinuing Operations (after Tax)            |       | -                         | -                         |
| <b>NET PROFIT FOR THE YEAR</b>                                      |       | <b>(35,50,907)</b>        | <b>(41,72,378)</b>        |
| Basic / Diluted Earnings per Share of Rs. 100 each (Not annualised) |       | (35.51)                   | (41.72)                   |

Significant Accounting Policies

1

Other notes and disclosures

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The accompanying notes thereon form an integral part of the Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

**For B. Thiagarajan & Co.**

Chartered Accountants

Firm Reg No: 004371S



Ram Srinivasan

Partner

M.No. 220112

Place - Chennai

Date - 31-Aug-19

UDIN: 19220112 AAAAAM2541

**For Radiance EPC Private Limited**


K V Midhun

Director

DIN : 6504014



K Vijayakumar

Director

DIN : 6996421



**RADIANCE EPC PRIVATE LIMITED**

Annual Report 2018-19

CIN:U74110TN2016PTC104899

6th Floor, Khivraj Complex, 480, Anna Salai, Nandanam, Chennai 600035

**Cash Flow Statement for the Year Ended 31st March 2019**

| Description                                                    | Amount in ₹               |                           |
|----------------------------------------------------------------|---------------------------|---------------------------|
|                                                                | Year Ended<br>31-Mar-2019 | Year Ended<br>31-Mar-2018 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                     |                           |                           |
| Net Profit before tax                                          | (3,829,360)               | (4,197,152)               |
| Add/(Less) Adjustments:                                        |                           |                           |
| Depreciation                                                   | 1,590,758                 | 347,748                   |
| Finance Charges                                                | 343,218                   | 31,433                    |
|                                                                | <u>1,933,976</u>          | <u>379,181</u>            |
| Operating Profit before Working Capital Changes                | (1,895,384)               | (3,817,971)               |
| Adjustments for movements in:                                  |                           |                           |
| Inventories                                                    | (47,363)                  | (203,828)                 |
| Trade Receivables                                              | (43,088)                  | (55,624)                  |
| Short term Loans and Advances                                  | (500,888)                 | (32,671)                  |
| Long term Loans and Advances                                   | 35,811                    | (2,404,642)               |
| Trade Payables                                                 | 540,238                   | 1,426,268                 |
| Other Current Liabilities                                      | 129,542                   | 104,159                   |
|                                                                | <u>114,253</u>            | <u>(1,166,338)</u>        |
| Cash Generated from Operating Activities                       | (1,781,132)               | (4,984,309)               |
| Taxes Paid                                                     |                           |                           |
| Payment of Direct Taxes                                        | -                         | -                         |
| Net Cash Flow From Operating Activities                        | [A] (1,781,132)           | (4,984,309)               |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                           |                           |
| Purchase of Property, Plant and Equipment                      | (1,327,641)               | (2,675,041)               |
| Net Cash used in Investing Activities                          | [B] (1,327,641)           | (2,675,041)               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                           |                           |
| Proceeds from Issue of Share Capital                           | -                         | 100,000                   |
| Proceeds from Long term Borrowings                             | 3,504,033                 | 7,681,616                 |
| Finance Charges                                                | (343,218)                 | (31,433)                  |
| Net Cash flow from Financing Activities                        | [C] 3,160,815             | 7,750,183                 |
| Net Increase / (Decrease) in Cash & Cash equivalents           | [A+B+C] 52,042            | 90,833                    |
| Cash & Cash Equivalents at the beginning of the year           | 90,833                    | -                         |
| Cash & Cash Equivalents at the end of the year                 | <u>142,876</u>            | <u>90,833</u>             |
| <b>Components of Cash and Cash equivalents at the year end</b> |                           |                           |
| Cash on Hand                                                   | 11,030                    | 17,624                    |
| Balances with Bank                                             |                           |                           |
| - in Current Account                                           | 131,846                   | 73,209                    |
|                                                                | <u>142,876</u>            | <u>90,833</u>             |

Per our report of even date

For B. Thiagarajan &amp; Co.

Chartered Accountants

Firm Reg No/004371S

Ram Srinivasan

Partner

M.No. 220112

Place - Chennai

Date - 31-Aug-19

UDIN: 19220112 AAAAAM2541



For Radiance EPC Private Limited

K V Midhun

Director

DIN : 6504014

K Vijayakumar

Director

DIN : 6996421



## 1. Significant accounting policies

*The Accounts are prepared under the Historical Cost Convention and materially comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India.*

*The Company has prepared and presented these financial statements in accordance with the requirement of the Schedule III of Companies Act, 2013.*

*The significant accounting policies followed by the Company are stated below:*

### 1.1 Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenue and expenses during the reporting periods. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### 1.2 Revenue Recognition

Income is accounted for on accrual basis.

### 1.3 Inventories

Inventories are valued at lower of cost or net realizable value. The cost of inventories is computed on a weighted average cost basis.

### 1.4 Property, Plant and Equipment

Property, Plant and Equipment are stated at their cost of acquisition or construction as the case may be and including inward freight, incidental expenses related to acquisition/ installation.

Depreciation on Fixed assets is provided on the basis of useful life at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

Depreciation on fixed assets purchased/ disposed there off during the year, is provided on pro- rata basis with reference to the date of put to use/ disposal.

### 1.5 Provisions, Contingent Liabilities

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.

Contingent Liabilities are disclosed by way of Notes on accounts in respect of obligation where, based on the evidence available, their existence at the balance sheet date is considered not probable. Contingent assets are not recognized in the accounts.



**1.6 Taxes on Income**

Provision for Income tax is made after considering the various deduction/ benefits, and exemption admissible under the Income Tax Act, 1961.

Timing Differences between accounting income and taxable income capable of being reversed in subsequent years are recognized as deferred tax, in accordance with Accounting Standard - 22 on "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India.

**1.7 Expenses**

All expenses and interest are accounted for on accrual basis.

**1.8 Cash Flow Statement**

The cash flow statement is prepared in accordance with the AS - 3 - "Cash Flow Statement", adopting indirect method.



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**2 Share Capital****2.1 Number of shares issued, subscribed and fully paid, subscribed but not fully paid, par value per share**

|                                               | Amounts in ₹<br>As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|-----------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Authorised capital</b>                     |                                      |                                      |
| 10,000 Equity shares of Rs. 100 each          | 1,000,000                            | 1,000,000                            |
| <b>Issued, Subscribed and Paid up capital</b> |                                      |                                      |
| 1,000 Equity shares of Rs.100 each fully paid | 100,000                              | 100,000                              |
|                                               | <b>100,000</b>                       | <b>100,000</b>                       |

**2.2 Reconciliation of share outstanding at the beginning of the year and at the end of the year****Equity shares of Rs 100 each**

|                                      | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
|--------------------------------------|----------------------|----------------------|
| Opening number of shares outstanding | 1,000                | -                    |
| Shares issued                        | -                    | 1,000                |
| Closing number of shares outstanding | <b>1,000</b>         | <b>1,000</b>         |

**2.3 Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 100 per share. Each holder of equity shares is entitled to one vote per share.

**2.4 Shares in the Company held by each shareholder holding more than 5 percent shares**

|                                                 | As at<br>31-Mar-2019<br>No of Shares held | As at<br>31-Mar-2018<br>No of Shares held |
|-------------------------------------------------|-------------------------------------------|-------------------------------------------|
| <b>Equity Shares of Rs. 100 each fully paid</b> |                                           |                                           |
| Radiance Realty Developers India Limited        | 999                                       | 999                                       |
|                                                 | <b>% of shares held</b>                   | <b>% of shares held</b>                   |
| Radiance Realty Developers India Limited        | 100%                                      | 100%                                      |



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**3 Reserves and Surplus**

|                                                            | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|------------------------------------------------------------|----------------------|--------------------------------------|
| 3.1 Surplus i.e. Balance in the Statement of Profit & Loss |                      |                                      |
| As per last Balance Sheet                                  | (4,172,378)          | -                                    |
| Profit/(Loss) for the year                                 | (3,550,907)          | (4,172,378)                          |
| Less: Appropriations                                       |                      |                                      |
| - Proposed Dividend on Equity Shares                       | -                    | -                                    |
| - Corporate Tax on proposed dividend                       | -                    | -                                    |
| Net Surplus in the statement of Profit and Loss            | (7,723,285)          | (4,172,378)                          |
| Total Reserves and Surplus                                 | (7,723,285)          | (4,172,378)                          |

**4 Long Term Borrowings***Unsecured*

Dues payable to Holding Company

|                                 | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|---------------------------------|----------------------|--------------------------------------|
| Dues payable to Holding Company | 11,185,649           | 7,681,616                            |
|                                 | 11,185,649           | 7,681,616                            |

**5 Trade Payables**

|                        | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|------------------------|----------------------|--------------------------------------|
| 5.1 Trade Payables     |                      |                                      |
| Sundry Creditors       | 1,647,665            | 1,076,736                            |
|                        | 1,647,665            | 1,076,736                            |
| 5.2 Other payables     |                      |                                      |
| Employees Dues Payable | -                    | 301,779                              |
| Liability for Expenses | 318,842              | 47,753                               |
|                        | 318,842              | 349,532                              |
|                        | 1,966,507            | 1,426,268                            |

**6 Other Current Liabilities**

|                          | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|--------------------------|----------------------|--------------------------------------|
| Duties and Taxes Payable | 233,701              | 104,159                              |
|                          | 233,701              | 104,159                              |



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## **7 Property, Plant and Equipment**

| Description of Asset | Gross Block            |                  |           | Accumulated Depreciation |                        |           | Net Block              |                        |
|----------------------|------------------------|------------------|-----------|--------------------------|------------------------|-----------|------------------------|------------------------|
|                      | As at<br>31 March 2018 | Additions        | Disposals | As at<br>31 March 2018   | Charge for<br>the year | Disposals | As at<br>31 March 2019 | As at<br>31 March 2018 |
| Computer             | 134,120                | 23,600           | -         | 33,638                   | 70,284                 | -         | 53,798                 | 100,482                |
| Office Equipment     | 86,520                 | 13,000           | -         | 9,175                    | 36,946                 | -         | 53,399                 | 77,345                 |
| Furniture & Fixtures | 537,667                | 510,821          | -         | 34,424                   | 262,413                | -         | 751,651                | 503,243                |
| Telephone Devices    | 13,798                 | -                | -         | 2,556                    | 5,067                  | -         | 6,175                  | 11,242                 |
| Plant & Machinery    | 1,902,936              | 780,220          | -         | 267,955                  | 1,216,048              | -         | 1,199,153              | 1,634,981              |
| <b>TOTAL</b>         | <b>2,675,041</b>       | <b>1,327,641</b> | <b>-</b>  | <b>347,748</b>           | <b>1,590,758</b>       | <b>-</b>  | <b>2,064,176</b>       | <b>2,327,293</b>       |



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**8 Deferred Tax Liability/(Asset)**

The Company estimates the deferred tax charge/ (credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. In compliance with the Accounting Standard on Accounting for taxes on income (AS-22) issued by ICAI, the breakup of net deferred tax liability is provided below:

|                                                                                               | Amounts in ₹         |                      |
|-----------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                               | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Deferred Tax Asset                                                                            |                      |                      |
| On account of difference in rates and method of depreciation of Property, Plant and Equipment | 303,227              | 24,774               |
| <b>Net Deferred Tax Liability/(Asset)</b>                                                     | <b>303,227</b>       | <b>24,774</b>        |

**9 Long Term Loans and Advances**

|                                   | Amounts in ₹         |                      |
|-----------------------------------|----------------------|----------------------|
|                                   | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Security and other deposit        |                      |                      |
| <i>Unsecured, Considered good</i> |                      |                      |
| Rental Deposit                    | 2,339,931            | 2,389,342            |
| Security Deposit                  | 28,900               | 15,300               |
|                                   | <b>2,368,831</b>     | <b>2,404,642</b>     |

**10 Inventories**

|                   | Amounts in ₹         |                      |
|-------------------|----------------------|----------------------|
|                   | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| Raw materials     | 203,828              | 159,731              |
| Stores and spares | 47,363               | 44,097               |
|                   | <b>251,191</b>       | <b>203,828</b>       |

**11 Trade Receivables**

|                                                 | Amounts in ₹         |                      |
|-------------------------------------------------|----------------------|----------------------|
|                                                 | As at<br>31-Mar-2019 | As at<br>31-Mar-2018 |
| <i>Unsecured, Considered Good</i>               |                      |                      |
| - Outstanding for a period exceeding six months | -                    | -                    |
| - Others                                        | 98,712               | 55,624               |
|                                                 | <b>98,712</b>        | <b>55,624</b>        |



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**12 Cash and Cash Equivalents**

|                               | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|-------------------------------|----------------------|--------------------------------------|
| Balances with Scheduled Banks |                      |                                      |
| - in Current account          | 131,846              | 73,209                               |
| Cash on Hand                  | 11,030               | 17,624                               |
|                               | <b>142,876</b>       | <b>90,833</b>                        |

**13 Short Term Loans and Advances**

|                                    | As at<br>31-Mar-2019 | Amounts in ₹<br>As at<br>31-Mar-2018 |
|------------------------------------|----------------------|--------------------------------------|
| <i>Unsecured, Considered Good</i>  |                      |                                      |
| Staff advance                      | 31,171               | 5,059                                |
| Prepaid expenses and Other Deposit | 363,364              | 27,612                               |
| Amount due from Govt Authorities   | 139,022              | -                                    |
|                                    | <b>533,557</b>       | <b>32,671</b>                        |



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**14 Revenue From Operations**

|                         | <i>Amounts in ₹</i> |                    |
|-------------------------|---------------------|--------------------|
|                         | <b>Year Ended</b>   | <b>Year Ended</b>  |
|                         | <b>31-Mar-2019</b>  | <b>31-Mar-2018</b> |
| Revenue from Operations | 16,461,258          | 519,009            |
|                         | <b>16,461,258</b>   | <b>519,009</b>     |

**15 Cost of Materials Consumed**

|                                                         | <i>Amounts in ₹</i> |                    |
|---------------------------------------------------------|---------------------|--------------------|
|                                                         | <b>Year Ended</b>   | <b>Year Ended</b>  |
|                                                         | <b>31-Mar-2019</b>  | <b>31-Mar-2018</b> |
| Inventory of raw materials at the beginning of the year | 159,731             | -                  |
| Add: Purchases (net)                                    | 5,707,536           | 1,322,153          |
|                                                         | <b>5,867,267</b>    | <b>1,322,153</b>   |
| Less: Inventory of raw materials at the end of the year | 203,828             | 159,731            |
|                                                         | <b>5,663,439</b>    | <b>1,162,422</b>   |

**16 Employee Benefit Expenses**

|                                           | <i>Amounts in ₹</i> |                    |
|-------------------------------------------|---------------------|--------------------|
|                                           | <b>Year Ended</b>   | <b>Year Ended</b>  |
|                                           | <b>31-Mar-2019</b>  | <b>31-Mar-2018</b> |
| Salaries, Wages & Bonus                   | 5,400,510           | 1,500,928          |
| Contribution to Provident and other funds | 440,294             | 54,040             |
| Staff Welfare Expenses                    | 166,021             | 27,808             |
|                                           | <b>6,006,825</b>    | <b>1,582,776</b>   |

**17 Finance Costs**

|              | <i>Amounts in ₹</i> |                    |
|--------------|---------------------|--------------------|
|              | <b>Year Ended</b>   | <b>Year Ended</b>  |
|              | <b>31-Mar-2019</b>  | <b>31-Mar-2018</b> |
| Bank Charges | 343,218             | 31,433             |
|              | <b>343,218</b>      | <b>31,433</b>      |



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**18 Other expenses**

|                                 | Year Ended<br>31-Mar-2019 | Amounts in ₹<br>Year Ended<br>31-Mar-2018 |
|---------------------------------|---------------------------|-------------------------------------------|
| Advertisement                   | 199,065                   | 170,174                                   |
| Brokerage & Commission          | 50,000                    | 58,350                                    |
| Stores consumption              | 849,392                   | 76,880                                    |
| Freight charges                 | 557,414                   | 59,563                                    |
| Rent                            | 3,008,424                 | 618,357                                   |
| Electricity charges             | 676,820                   | 79,547                                    |
| Repairs and Maintenance         |                           |                                           |
| - Others                        | 1,079,334                 | 291,831                                   |
| Telephone charges               | 31,668                    | 19,227                                    |
| Printing and Stationery         | 41,346                    | 20,382                                    |
| Rates and Taxes                 | 39,225                    | 38,204                                    |
| Professional fees               | 63,484                    | 93,910                                    |
| Audit Fees (Refer Note a below) | 29,500                    | 29,500                                    |
| Travelling and Conveyance       | 54,800                    | 32,523                                    |
| Miscellaneous Expenses          | 5,906                     | 3,334                                     |
|                                 | <b>6,686,378</b>          | <b>1,591,782</b>                          |

**Note****a) Payment to Auditors**

As auditor

- For Statutory audit

- For taxes

|               |               |
|---------------|---------------|
| 25,000        | 25,000        |
| 4,500         | 4,500         |
| <b>29,500</b> | <b>29,500</b> |



**19. Other notes and disclosures****19.1 Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹Nil (Previous Year ₹ Nil).

19.2 There are no dues to Micro, Small and Medium Enterprises which is outstanding for more than 30 days at the Balance Sheet Date. The above information regarding Small Scale undertaking has been determined to the extent such parties, have been identified on the basis of information available with the Company, and has been relied upon by the Auditors.

**19.3 Related Party Disclosures**

In accordance with the requirements of Accounting Standards (AS) - 18 "Related Party disclosures" the names of related party where control exists/able to exercise significant influence along with the aggregate transactions and period end balances with them as identified and certified by the management are given below:

**Holding Company / Enterprise where significant influence exists:**

|    |                 |                                          |
|----|-----------------|------------------------------------------|
| a) | Holding Company | Radiance Realty Developers India Limited |
|----|-----------------|------------------------------------------|

The following transactions were carried out with the related parties in the ordinary course of business:

(Amount in Rs)

| S No | Particulars             | Holding Company            | Total                      |
|------|-------------------------|----------------------------|----------------------------|
| a.   | Sale of food            | 69,51,100<br>(-)           | 69,51,100<br>(-)           |
| b.   | Dues to Holding Company | 1,11,85,649<br>(76,81,616) | 1,11,85,649<br>(76,81,616) |

**19.4 Earnings per Share**

The numerators and denominators used to calculate Basic / Diluted Earnings per Share: (Not Annualized)

| S. No | Particulars                                          | Year ended<br>31.03.2019 | Period ended<br>31.03.2018 |
|-------|------------------------------------------------------|--------------------------|----------------------------|
| a)    | Net Profit attributable to equity shareholders (₹)   | (35,50,907)              | (41,72,378)                |
| b)    | Weighted Average Number of equity shares outstanding | 1,000                    | 1,000                      |
| c)    | Nominal value of Equity shares (₹)                   | 100                      | 100                        |
| d)    | Basic / Diluted Earnings per share - (A/B)           | (35.51)                  | (41.72)                    |



# Radiance EPC Private Limited

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19.5 All figures have been rounded off to the nearest rupee.

For B. Thiagarajan & Co.

Chartered Accountants

Reg No: 004371S



Ram Srinivasan

Partner

M No. 220112

Place: Chennai

Date: 31-Aug-19

UDIN: 19220112 AAAAAM2541



For Radiance EPC Private Limited



K V Midhun

Director

DIN : 6504014



K Vijayakumar

Director

DIN : 6996421

